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ABSTRACT

The current status of diversity initiatives in eight U.S.-based multinational corporations was examined through a process involving semistructured interviews of diversity managers and analysis of their annual reports for fiscal 1996 and related documents. The 8 corporations were randomly selected from the 30 multinational corporations in Illinois. The corporations defined diversity sufficiently broadly that it could include everyone in the organization. Seven factors influenced diversity in these corporations: demographic changes; diverse marketplace; need to improve productivity and remain competitive; globalization; top management's focus on diversity as a business strategy; legal concerns; and diverse work teams. In the corporations studied, 116 domestic diversity initiatives in the following areas were identified: leadership and management, training and education, community relations, communication, performance and accountability, work-life balance, and career development. Although education and training were determined to be the most effective diversity initiatives, companies were placing greatest efforts in leadership and management (which ranked second in effectiveness). The corporations studied were also implementing a variety of diversity initiatives at the international level. (Contains 81 references. Appended are a list of the types of related documents collected and the annual report and related document analysis forms.) (MN)

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DIVERSITY IN THE WORKFORCE SERIES REPORT #3: CURRENT STATUS OF DIVERSITY INITIATIVES IN SELECTED MULTINATIONAL CORPORATIONS

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DIVERSITY IN THE WORKFORCE SERIES REPORT #3: CURRENT STATUS OF DIVERSITY INITIATIVES IN SELECTED MULTINATIONAL CORPORATIONS

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Diversity in the Workplace: A Literature Review

This report summarizes and synthesizes the literature on diversity in the workforce, supplying information to be used in developing new and unique approaches that fit the specific needs of particular organizations. The report includes the following sections: The Changing Society and Workforce; Reasons Organizations Are Managing and Valuing Diversity; Types of Training; Conducting Needs Assessments; How To Select a Trainer; Challenges and Obstacles of Diversity Training; Characteristics of Effective Diversity Training Programs; Evaluation of Diversity Training; and Future Trends in the Field. A glossary of terms and video list are also provided. By R. M. Wentling, N. Palma-Rivas.
MDS-934

Current Status of Diversity Initiatives in Selected Multinational Corporations

The purpose of this study was to provide information on the status of the diversity process in U.S. based multinational corporations that are committed to addressing diversity in the workplace. Eight diversity managers/directors at multinational corporations in Illinois were asked to provide information on their diversity initiatives; the planning, implementation and evaluation of the initiatives; factors assisting in their success; barriers; and future plans. The study revealed that an evolutionary pattern exists for diversity initiatives that has evolved from affirmative action to international diversity. Multinational corporations have a high degree of sophistication in their diversity initiatives, are doing much more than required by law, and it appears that these initiatives will continue to become even more important. By R. M. Wentling, N. Palma-Rivas.
MDS-936

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PREFACE

This is the third report in the Diversity in the Workforce Series sponsored by the National Center for Research in Vocational Education (NCRVE). This series is intended to inform the readers of the dynamics and breadth of workforce diversity issues. In addition, it provides information to educators and people from business and industry. They can use this information to develop practices and guidelines to follow when selecting or assessing workplace environments that are conducive to maximizing the contributions of all workers.

The information on workforce diversity from this series may enable educators to revise their curricula appropriately to reflect changes in the workplace, identify workable strategies for accommodating and managing differences in the workforce, and illustrate for their students the continuing impact of diversity on the organizational culture and climate of corporations.

The information may also assist human resource development (HRD) professionals or any person in charge of programs dealing with diversity in organizations to better assess the needs of the employees; improve the design, implementation, and evaluation of diversity efforts; and identify initiatives to improve the management of a diverse workforce.

This report is devoted to providing information on the status of the diversity process in U.S. based multinational corporations that are committed to addressing diversity in the workplace. This study also attempts to report on the dimensions of the diversity initiatives and the dynamics of the corporate response to workforce diversity. This third research report, as well as the first two reports in the Diversity in the Workforce Series, are designed to serve as a foundation for the fourth report on the role of diversity initiatives in the successful transition of minority youth into the workplace. Combined, the four research studies will assist in revealing the diversity initiatives that are most likely to assist and support the successful transition of minority youth into the workplace and goals that should be advocated for minority youth who are making the transition into the workplace. Also, the criteria for determining diversity sensitive work-based learning sites and/or companies that assist in the successful transition of minority youth into the workplace will be disclosed.

Below is a listing of the four reports included in the Diversity in the Workforce Series:

- Report #1: Diversity in the Workforce: A Literature Review
- Report #2: Current Status and Future Trends of Diversity Initiatives in the Workplace: Diversity Experts' Perspective
- *Report #3: Current Status of Diversity Initiatives in Selected Multinational Corporations*
- Report #4: The Role of Diversity Initiatives in the Successful Transition of Minority Youth into the Workplace

EXECUTIVE SUMMARY

Purpose of the Study

The main purpose of this descriptive and exploratory study was to provide information on the current status of diversity initiatives in a sample of multinational corporations headquartered in the state of Illinois that are committed to addressing diversity in the workplace. The study attempted to explore eight areas of concern: (1) context of diversity initiatives, (2) diversity initiatives, (3) planning, (4) implementation, (5) evaluation, (6) factors assisting in their success, (7) barriers that have hindered their progress, and (8) future plans.

Research Methods

Two major methods of the data collection were used to collect the information in the study: (1) face-to-face interviews and (2) document analysis. Eight diversity managers/ directors who worked in eight multinational corporations, annual reports, and related documents were the sources of information for this study. The first major method of the data collection to determine the current status of diversity initiatives was in-depth, semistructured interviews. An interview guide was developed and pilot tested with two of the multinational corporations headquartered in the state of Illinois.

The data were collected from eight face-to-face interviews with managers/directors of diversity departments. Initial contacts were made with the study participants via telephone. Appointments specifying date and time were made. Study participants received a letter explaining the purpose of the study, reminding them of the date and time of the interview, and including a copy of the interview guide. A week before the appointment, another telephone call was made to the participants confirming their availability. All the interviews were conducted in the offices of the participants. These interviews ranged from one to three and a half hours, with an average time of two hours.

The second major method of the data collection was a document analysis of the corporations' annual reports and related documents. This information was used mainly to verify the information provided by the study participants and to provide a better

understanding of the corporate context. The document analysis started two months before the interview process and continued until the final data analysis for the study.

The data from the interviews and document analysis were content-analyzed. Participant responses were filed according to the topic or issue addressed. Emergent themes were ranked by their frequency of mention and were then categorized. A thorough document analysis was conducted to verify, enrich, complement, and provide examples of the information obtained in the face-to-face interviews. Data obtained through the interviews were analyzed qualitatively and quantitatively.

Summary of the Findings

Based on the data gathered from the previously mentioned sources, some of the following major findings were apparent. The multinational corporations in this study defined *diversity* very broadly so that it could include everyone in the organization. The advantage of the broad definition is that it acknowledges the differences all people bring to organizations as assets. Corporations came to this definition based on the specific needs of the corporations and affirmative action and compliance issues that, over time, became more inclusive. The data also showed that, even though each one of the corporations participating in the study has its own culture, they have certain commonalties. There were three main ways in which study participants described the organizational culture. First, these organizations have cultures that value diversity. Second, their organizational cultures accept and recognize diversity as a key business issue. Finally, organizational cultures were described as all inclusive.

Seven factors influenced diversity in the organizations studied: (1) demographic changes, (2) diverse marketplace, (3) the need to improve productivity and remain competitive, (4) globalization, (5) top management focus on diversity as a business strategy, (6) legal concerns, and (7) diverse work teams. Among these factors, demographic changes, diverse marketplace, and the need to improve productivity and remain competitive are the most common factors influencing diversity initiatives in the multinational corporations. These three factors were recognized by all the participants as driving forces of diversity initiatives in their corporations.

There was a total of 116 domestic diversity initiatives currently in place in the corporations in the study. Diversity initiatives are being developed in the areas of leadership and management, training and education, community relations, communication, performance and accountability, work–life balance, and career development. The area in which there has been the greatest effort is leadership and management. Diversity initiatives in training and education were considered the second most common areas. Although many initiatives were identified, no single diversity initiative used in isolation is effective.

The most effective diversity initiatives were education and training, followed by leadership and management and then performance and accountability. Even though diversity training and education are considered the most effective initiatives, companies are not placing their greatest efforts there.

The data also revealed that half of the multinational corporations participating in the study are also implementing a variety of diversity initiatives at the international level. A total of ten different international diversity initiatives were identified. The international diversity initiatives most frequently mentioned were marketing plans for international customers, worldwide diversity conferences, and diversity education and training. Inclusion and the full utilization of people, regardless of their background, were the principles identified as connecting both domestic and international diversity initiatives. Other commonalties between domestic and international initiatives were appreciation for cultural differences and adaptation of products and services for diverse customers. The data revealed that some diversity initiatives are being transferred from the United States to other countries and vice versa.

The data revealed that all the corporations in the study were attempting to measure the effects of diversity initiatives on employees and organizations. This study also revealed that corporations were using twelve varied methods to evaluate their diversity initiatives. The methods most commonly used are employee surveys and employee data. Other methods used are management annual performance reviews, 360-degree feedback, and focus groups. The majority of the corporations considered their diversity initiatives very effective and as having a positive impact on employees and organizations. For some corporations, it was too early in the process to judge the effectiveness of their initiatives.

All of the corporations participating in the study have future plans for implementing domestic and international diversity initiatives. The largest number of future plans was in the category of domestic diversity initiatives. The most common plan for domestic initiatives was to continue addressing the current initiatives. Having more effective evaluation of diversity initiatives was a major concern that needed to be addressed in the future. More than half of the study participants planned to get further recognition for their work on diversity. The main reason for getting recognition in the future was that it will help them to attract and retain outstanding people with different backgrounds. These companies were also interested in banning all other policies that are interfering with their diversity initiatives. Internationally, corporations that are currently implementing diversity initiatives are planning to continue with them and expand their diversity initiatives to other countries.

INTRODUCTION

Demographic changes, technological advances, and global competition have forced U.S. corporations to reexamine their policies, programs, and practices. One of the most cited reports on the dramatic demographic changes in U.S. society is *Workforce 2000: Work and Workers for the Twenty-First Century* (Johnston & Parker, 1987). This report and others (U.S. Bureau of the Census, 1994; U.S. Bureau of Labor Statistics, 1993) indicate that the workforce demographic is expected to change dramatically. Demographers have reported that workforce population will include more minorities, individuals with varieties of ethnic backgrounds, more aging workers, and people with varying lifestyles.

According to Loden and Rosener (1991), this diverse workforce will influence the management of organizations because, for the first time in the United States, managers will face the challenge of dealing with large numbers of diverse groups in the workplace. Therefore, how well organizations deal with the demographic shift of their workforce, from white males to the inclusion of a more diverse workforce, will directly affect their outcomes (Caudron, 1990). Managers who want their organizations to remain competitive are concerned about how to implement different programs to incorporate and retain a more diverse body of employees (Jamieson & O'Mara, 1991). It has become apparent that American competitiveness in the global marketplace will depend on effective human resource development and management (Fernandez, 1993).

Many terms have been used to describe cultural differences in the workforce, including *cultural diversity*, the *multicultural workforce*, and *cultural pluralism*. The term used currently is *diversity*. The term *diversity* is more than a name used to describe the presence of multiple cultures in the workforce or, as Lynch (1989) defined cultural diversity, "the presence within one geographic area of a number of different cultural, linguistic, credal, ethnic, or racial groups" (p. 5). Diversity, in its broader meaning, includes all the ways in which people differ, and it encompasses all the different characteristics that make one individual different from another (Griggs, 1995). According to Johnson (1995), a broad definition of diversity goes beyond protected-class differences because all employees bring their differences, including a variety of group-identity differences, to the workplace. A broad definition moves workplace diversity issues beyond an "us versus them" struggle to a focus on utilizing and maximizing diversity to accomplish

both individual and organizational goals. It provides an overarching goal for a unifying focus.

Many believe that the concern for managing diversity started with Affirmative Action/Equal Employment Opportunity (AA/EEO). Traditionally, AA/EEO requirements have been based upon social, moral, and legal obligations. Thomas (1991) suggested that AA/EEO efforts are no longer sufficient to meet the challenges posed by the increasing participation of women, minorities, and immigrants in the workforce. AA/EEO policies are important steps in opening the workplace to diversity. However, alone they are limited and do not create conditions that capitalize on the full potential of diversity. While AA/EEO have greatly increased the recruitment and hiring of women and minorities, they have done little to ensure their promotion or retention (Jackson & Associates, 1992; Loden & Rosener, 1991).

Managing diversity differs mainly from AA/EEO programs in that diversity programs tend to have broader goals and means for improving organizational climate. Attempts to manage diversity initiatives are "efforts to create an environment that works naturally for the 'total' diversity mixture" (Thomas, 1992, p. 308), but not just women and minorities (Gottfredson, 1992). Griggs (1991) noted that companies who have been successful as EEO/AA employers are now realizing that the diverse workforce that they created needs to be better managed in order for them to fully maximize their human resource (HR) potential and increase their competitive edge.

Surveys of business leaders indicate that interest in managing diversity is widespread (Jackson & Associates, 1992). For example, Towers Perrin & Hudson Institute (1990) surveyed 645 firms and found that 74 percent of the respondents were concerned about increased diversity and, of these, about one-third felt that diversity affected their corporate strategy. This study also revealed two primary reasons for managing diversity: (1) the perception that supervisors did not know how to motivate their diverse work groups and (2) an uncertainty about how to handle the challenge of communicating with employees whose cultural backgrounds result in differing assumptions, values, and—sometimes—language skills. Some companies have connected higher turnover rates for women and minorities to a work environment that does not support diversity (Cox & Blake, 1991; Kilborn, 1990). Consequently, the lack of support

for diversity has incurred excessive recruiting and training costs (Caudron, 1990; Schmidt, 1988).

According to Jackson and Alvarez (1992), the two economic forces that are especially relevant to workforce diversity are the shift from a manufacturing based economy to a service economy and the globalization of the market place. Jackson and Alvarez (1992) believe that, with 78 percent of American jobs in the service area, diversity issues will gain in importance because, in a service economy, effective interactions and communications between people are essential to business success. Several studies have found that race and gender affect interaction between employees and customers in service businesses (Juni, Brannon, & Roth, 1988; McCormick & Kinloch, 1986; Stead & Zinkhan, 1986). According to Triandis, Kurowski, and Gelfand (1994), "delivering service products requires employees with well-developed interpersonal skills; cultural similarity between the service provider and the customer may improve the effectiveness of service delivery and the perceived quality of service" (p. 770).

Increased competition and the changing marketplace are convincing many business leaders that diversity should be an essential part of their business strategy. Leaders in some organizations believe that, with a diverse employee population, they can better understand customers' needs in ethnic and international markets (Adler, 1983; Griggs, 1991). This is one of the arguments to support the notion that diversity is needed in American corporations in order for them to succeed in international markets. However, there is no research to support this perspective, especially when homogeneous societies like Japan have succeeded in the international marketplace (Triandis & Bhawuk, 1994).

Over the past decade, discrimination complaints have increased nationwide, with multimillion dollar settlements awarded in cases of sex and race bias. A class-action suit in 1992 against a major insurance corporation for sex bias in promotion resulted in an award of over $150 million (Cannon, 1992). According to Fernandez (1993), "nearly 90 percent of Fortune 500 companies have received complaints of sexual harassment, and more than one third have been sued at least once (almost a quarter have been sued more often)" (p. 203). A 1996 racial discrimination lawsuit against Texaco, a well-known oil company, resulted in an award of over $176.1 million (Stanfield, 1996). Obviously, the inability to manage the impact of diversity in the workplace and the changing values of workforce participants has become extremely costly.

Many university researchers have started to include diversity issues as part of their research agenda (Rosen & Lovelace, 1991). Workforce diversity is also a concern of educators as well (Johnson, 1991; Smith, 1989; Warnat, 1991). In 1995, the University of Illinois's Department of Human Resource Education introduced a new graduate course on "Diversity in Education and Training" in order to encourage participation and discussions between educators and business professionals with the intent of sharing strategies for managing diversity.

In addition, HRD professionals are concerned with improving management of workforce diversity. Many organizational development consultants have conducted research on the influence and impact of diversity in the workplace (Adler, 1991; Carnevale & Stone, 1995; Cox, 1991; Fernandez, 1993; Harris, 1994; Hayles, 1996; Henderson, 1994; Jamieson & O'Mara, 1991; Loden & Rosener, 1991; Morrison, 1992; Thomas, 1991). In September 1995, the University of Minnesota sponsored a symposium on "Diversity and Organizational Transformation," in which 30 sessions addressed diversity in the workforce. Practitioners have written extensively in their respective journals on the topic of workforce diversity. Diversity has become one of the most important issues in the workplace today (Dreyfuss, 1990; Fernandez, 1993; Gerber, 1990; Griggs, 1995; Henderson, 1994; Thiederman, 1991). (For a more detailed literature review, refer to Diversity in the Workforce Series: *Report #1: Diversity in the Workforce: A Literature Review* [MDS-934].)

The Need for Research

Although there are a limited number of research studies on workforce diversity, a large number of descriptive reports have emerged in the popular press and in the HRD journals (Beilinson, 1991; Bower, 1989; Carnevale & Stone 1994; Carr, 1993; Caudron, 1993; Edwards, 1991; Fierman, 1990; Finney, 1989; Jackson, 1991; Thacker, 1992; Wheeler, 1994; Winterle, 1992). A search of dissertation abstracts from 1986 through 1996 revealed five studies on diversity in the U.S. workplace; two of these concentrated on employment of people with disabilities. Another seven studies concentrated on cross-cultural training in other countries. Over twenty dissertations focused on multicultural education and training in various settings.

Researchers have identified a need for studies of diversity in organizations (Battaglia, 1991; Cockburn, 1991; Cox, 1990; Harbeck, 1992; Morrison, 1992; Rynes & Rosen, 1995; Triandis, Kurowski, & Gelfand, 1994). Despite the rapid growth of diversity training programs (Rossett & Bickham, 1994), little research has been conducted to assess their impact. Cox (1990) reported that "despite the growing need for understanding the effects of ethnic and racial heterogeneity on organizations, the knowledge base for these issues is appallingly limited" (p. 5). Wentling and Palma-Rivas (1997) noted that additional research from multiple perspectives is necessary to address the current status and future trends of diversity in the workplace.

In spite of the rapid growth and interest in diversity, Armitage (1993) stated that "organizations are scrambling to develop diversity programs but find little concrete guidance" (p. 3). Similarly, Noe and Ford (1992) reported that "while training for diversity has increased in popularity, no systematic empirical research regarding the effectiveness of diversity programs has been published" (p. 358).

Research Questions

This study examined the following major research questions:

- What is the context of diversity initiatives in corporations?
- What are the initiatives for managing diversity in corporations?
- How are the diversity initiatives planned in corporations?
- How are diversity initiatives implemented in corporations?
- How are diversity initiatives evaluated in corporations?
- What factors have assisted in the success of diversity initiatives in corporations?
- What barriers have hindered the implementation of diversity initiatives in corporations?
- What diversity initiatives are planned or projected for the future by corporations?

Significance of the Study

The purpose of this study was to provide information on the status of the diversity process in U.S. based multinational corporations that are committed to addressing diversity in the workplace. This study also attempted to report on the dimensions of the diversity initiatives and programs and to interpret the dynamics of the corporate response to workforce diversity.

The intent of the study was twofold. First, the study was designed to provide an interpretation of the diversity process within multinational corporations to help educators understand the status of the process within these organizations. From this study, educators will learn about differences in organizational responses to diversity. They will understand the varying levels of diversity concerns within corporations and the various initiatives that are implemented to address diversity in the workplace. The information on workforce diversity from this study will enable educators to revise their curricula appropriately to reflect changes in the workplace, identify workable strategies for accommodating and managing differences in the workforce, and illustrate for their students the continuing impact of diversity on the organizational culture and climate of these multinational corporations.

The second intent of this study was to provide information on the status of the diversity process in several organizational sites to decisionmakers such as HR managers, training and development specialists, and line managers. The information on workforce diversity from this study can be used for benchmarking within their organizations. In addition, this study may aid in the self-reflective process organizations use to assess their current status and assist them in developing strategic plans that address diversity within their organizations. The information from the study may influence the development of a deeper understanding of diversity processes within organizations. This understanding, in turn, may provide insight and direction for improving practice not only in the field of human resource development, but also in other areas of management. The information may encourage or persuade HRD practitioners or any person in charge of programs dealing with diversity in organizations to better assess the needs of the employees; improve the design, implementation, and evaluation of diversity efforts; and identify initiatives to improve the management of a diverse workforce.

Definition of Terms

The following terms were used throughout the study and are defined in this section for clarification.

- *Diversity*: Diversity includes all the ways in which people differ, and it encompasses all the different characteristics that make one individual or group different from another. It is all-inclusive and recognizes everyone and every group as part of the diversity that should be valued (Griggs, 1995).

- *Diversity Initiatives*: Diversity initiatives are specific activities, programs, policies and any other formal processes or efforts designed for promoting organizational culture change related to diversity (Arredondo, 1996).

- *Diversity Training*: Diversity training is frequently referred to as training and education to raise awareness about individual differences and about related changes in the workforce and to create behavior changes that are required to effectively manage work within a diverse workforce (Hanover, 1993; Wheeler, 1994).

- *Managing Diversity*: Managing diversity involves empowering or enabling employees. Managing diversity prescribes approaches that are philosophically broad enough to encompass all dimensions of diversity. Managing diversity also emphasizes managerial skills and policies needed to optimize and emphasize every employee's contribution to the organizational goals (Henderson, 1994; Thomas, 1992).

- *Multinational Corporations*: These are business corporations with origin in one country incorporating intent on success, focus on realities, and adaptation to conditions in several others in addition to the original country (Reynolds & Nadler, 1993).

- *Valuing Diversity*: Valuing diversity means being responsive to a wide range of people unlike oneself, according to any number of distinctions: race, gender, class, native language, national origin, physical ability, age, sexual orientation, religion, professional experience, and work style (Carnevale & Stone, 1994).

Limitations

- The findings of the study were based primarily on the perceptions of the study participants.
- The selection process for participants was guided by their willingness and availability to participate.
- Participants' support, interest, and concern for the diversity process could have exaggerated real interest and concerns of the organization.
- The quality of the interview data depended on the emotional state of the interviewer and the interviewee and the level of rapport between them.
- Interview responses could have been affected by recall errors and the possible self-serving nature of replies.

RESEARCH METHODS

This segment of the research report focuses on the research methods used in the study. The segment includes four basic sections: (1) Overview of the Research Design, (2) Population and Sample, (3) Data Collection, and (4) Data Analysis. The procedures are described for the reader in detail to enhance understanding and to give assurances that procedural guidelines were followed for completing this study.

Overview of the Research Design

This was a descriptive and exploratory study. Two major methods of data collection were used: (1) semistructured face-to-face interviews and (2) document analysis. The first major method of this study was in-depth, semistructured face-to-face interviews with workforce diversity managers/directors who are responsible for diversity initiatives in multinational corporations headquartered in the state of Illinois *that are exemplary in their diversity efforts*. Through face-to-face interviews extensive data were collected from diversity managers/directors in order to produce an in-depth understanding of the current

status of diversity initiatives in these multinational corporations. The data obtained through the interviews consisted of words in the form of rich verbal descriptions (qualitative data) as well as quantitative data. The quantitative data were utilized to provide the basic evidence, while the qualitative data were used to round out the picture and provide examples.

The second major method of data collection used was document analysis. Documents related to the organizational diversity initiatives in the multinational corporations were collected from primary and secondary sources. Documents were solicited from the corporations and from standard literature sources such as annual reports, community relations reports, journals, magazines, the World Wide Web, newspaper articles, research reports, and diversity-related books. The data obtained from these documents provided insightful and enriched information that was used to confirm and verify the information provided by the study participants during the face-to-face interviews.

Population and Sample

The population for this study was composed of the 30 multinational corporations in the state of Illinois listed in the book entitled *Directory of Diversity in Corporate America* (1994). From those 30 corporations, a sample of eight was randomly selected to participate in the study. The population and sample that was selected for this study is ideal because, in order for a corporation to be included in the directory, it must have extensive experience with workforce diversity, be a multinational corporation, be allocating resources to diversity initiatives, and have launched successful corporate diversity initiatives.

Data Collection

The data was collected through a process that utilized interviews and document analysis. The two data collection methods are described below.

Interviews

Interview is a research tool in which data is obtained through verbal interaction. Face-to-face interview is a method that can be adaptable to various situations, allows for

follow up, and permits in-depth clarification (Gall, Borg, & Gall, 1996). The researchers conducted face-to-face interviews with eight workforce diversity managers/directors in charge of diversity initiatives in eight multinational corporations in the state of Illinois. The researchers developed a semistructured interview guide to assist in collecting the data from the interviews. The semistructured interview guide addressed the following areas: diversity initiatives; context in which diversity initiatives take place; planning of diversity initiatives; implementation of diversity initiatives; evaluation of diversity initiatives; success factors of diversity initiatives; barriers to diversity initiatives; and future plans to address workforce diversity.

Semistructured interviews were chosen because they are "reasonably objective while still permitting a thorough understanding of the respondent's opinions and the reasons behind them" (Gall, Borg, & Gall, 1996, p. 452). Semistructured interview "provides a desirable combination of objectivity and depth and often permits gathering valuable data that could not be successfully obtained by any other approach" (Gall, Borg, & Gall, 1996, p. 452). Therefore, flexibility was retained to probe into each participant's statements and replies and to pursue additional issues related to the focus of the study that were not included in the interview guide.

Names and phone numbers of the eight diversity managers/directors who participated in the study were also obtained from the *Directory of Diversity in Corporate America* (1994). Initial contacts with the diversity managers/directors were made over the telephone, at which time dates, interview appointments, and arrangements were made. Participants were selected based on their willingness to take part in the study. All eight diversity managers/directors that were contacted consented to participate in the study. Each interviewee received a letter confirming the interview appointment and a copy of the interview guide two weeks before the scheduled interview. The participants had the opportunity to examine the interview questions prior to the interview. The interviews were conducted on-site at each participant's corporation during the months of January and February 1997. All interviews were tape recorded, and extensive notes were also taken during each interview. Before starting the interviews, each interviewee was asked for his/her approval of taping the interview.

Each participant was asked to complete a Demographic Information Form during the final stage of the interview. The form asked the participant to share information about

themselves in eight areas: (1) gender, (2) age range, (3) race/ethnicity, (4) educational background by degree, (5) major field of study, (6) present position/title, (7) number of years in current position, (8) number of years with the corporation, and (9) number of years of work experience. A University of Illinois coffee mug and a thank you letter were sent to each of the individuals who participated in the study.

A study advisory committee made up of three HRD educators reviewed the study procedures and made suggestions for improvement. Also, a pilot study was conducted with two of the multinational corporations headquartered in the state of Illinois to determine content validity and appropriateness of the interview guide. The two companies that participated in the pilot study were also included as part of the study. The pilot study showed that it was necessary to change the order of some of the items on the interview guide so that the interview could flow more smoothly. No items were deleted from the original interview guide. There was agreement by the study's advisory committee and the pilot test participants that the interview guide and the data being collected were appropriate for meeting the objectives of the study.

Document Analysis

Documents are materials that have been produced in some written or printed form. These materials can take varied forms such as legal records, newspapers, books, magazines, memos, committee reports, annual reports, newsletters, periodicals, and so forth (Fraenkel & Wallen, 1996; Gall, Borg, & Gall, 1996). According to Gall, Borg, and Gall (1996), by studying past documents, researchers can achieve a better understanding of present practices and issues. In addition, documents can be accessed at a time that is convenient to the researcher and saves time and expense in transcribing (Creswell, 1994).

The document collection process in this study included collection and organization of two basic types of documents: (1) annual reports and (2) related documents. Annual reports were collected for each corporation for fiscal year 1996 (the most current fiscal period). The effort to collect related corporate documents focused on solicitation and collection of corporate documents related to the diversity initiatives process. These documents included corporate newsletter articles, corporate newspaper articles, corporate profiles from general business directories, research reports, journal articles, magazine

articles, and chapters from diversity books. Appendix A lists the types of documents collected about the corporations.

Data Analysis

The data collected from the interviews and the documents were analyzed as described below.

Interviews

The data from the interviews were content-analyzed. Content analysis is a research technique for systematically examining the content of communications—in this instance, the interview data. Participants' responses to interview guide questions and the related issues that arose during the interview process were read and put together as complete quotations and filed according to the topic or issue addressed. The content analysis of the interview data was completed both manually and with computer assistance. Responses were analyzed thematically. Emergent themes were ranked by their frequency of mention and were finally categorized. Data obtained through the interviews were analyzed qualitatively and quantitatively. Quantitative data were used to provide the basic research evidence, while qualitative data were used to round out the picture and provide examples.

To assist in ensuring the reliability of the data analysis, the researchers invited a diversity expert to review the interview data from the interviews and identify the various diversity factors in the text. There was unanimous agreement between the researchers and the diversity expert regarding the factors identified in the text.

Document Analysis

Documents were collected and analyzed prior to, during, and after the interviews. Corporate annual reports were collected and analyzed using a Annual Report Document Analysis Form (see Appendix B). An Annual Report Document Analysis Form was completed for each of the corporate annual reports. These reports were selected for this analysis because they were the only documents that were available by all the corporations in the study, were published in similar formats, and could be systematically analyzed.

In addition, a Related Documents Analysis Form was completed for each related document in the entire collection (see Appendix C). All together, a total of 47 related documents were analyzed. The Related Documents Analysis Forms were designed by the researchers to analyze the information collected that documented the diversity initiatives process within the corporations. Related documents obtained from the World Wide Web, corporate sources, books, journals, newspapers, newsletters, reports, and so forth were all included in individual files for each of the corporations in the study. The researchers coded the related documents by relevant topic as they related to the major research questions.

To assist in ensuring the reliability of the Annual Report Document Analysis Form, the researchers invited a diversity expert to review four of the annual reports using this form. The ratings of the diversity expert matched the researchers' ratings. The same procedure was followed for the Related Documents Analysis Form, which produced similar results.

FINDINGS

The findings of the study are described in the chronological order that matches the researchers' step-by-step analysis of the research data. There are five basic sections in this segment of the report: (1) profiles of the corporations, (2) profile of the participants, (3) analysis of annual reports, (4) interview results, and (5) summary. Additional information on the data collection and analysis procedures is also presented to the reader to clarify the process that led to the findings.

Basic background information on the corporations was assembled two months prior to the interview process and continued until the final data analysis for the study. Individual files on the study's eight corporations included corporate annual reports, community relations reports and related documents, newspaper articles, newsletter articles, journal/magazine articles, notes on corporate profiles from general business directories, and a variety of other documents (see Appendix A). From these materials, the researchers assembled a basic profile of the corporations that were sources for the data in this study.

The next section states in some detail the general characteristics of the corporate participants in the interview process. Tables are provided to concisely report a demographic profile of the participants. The third section focuses on the key corporate document, the annual report. The most current annual reports (1996) were collected from all of the corporations in the study. The annual reports were selected for this analysis because they provide a broad contextual picture of the organization.

The fourth section of the report of the findings focuses on the data collected and analyzed from the interviews and related documents. The interview findings are organized and presented in eight segments that represent the research questions that guided this study. The segments are (1) context of diversity initiatives, (2) initiatives for managing diversity in corporations, (3) diversity initiatives planning, (4) implementation of diversity initiatives, (5) evaluation of diversity initiatives, (6) factors assisting in the success of diversity initiatives, (7) barriers to diversity initiatives, and (8) future of diversity initiatives in multinational corporations.

Profiles of the Corporations

Eight corporations that are committed to addressing diversity in the workplace were part of the study. They included eight Fortune 500 multinational corporations headquartered in Illinois and represented the following industries: food (3), electronics (1), chemicals (1), petroleum (1), pharmaceuticals (1), and specialist retailer (1). The eight multinational corporations combined were responsible for over $180 billion in sales in 1996 and had assets of over $190 billion. Based on the employment figures from the April 1997 issue of *Fortune* magazine, the eight Fortune 500 multinational corporations employed over 1,002,000 employees. The corporations' sales varied from $10 billion to more than $50 billion, and they had assets from $12 billion to more than $60 billion. The average number of employees in these eight corporations is 125,293.

Efforts were also made to obtain information regarding the amount of money spent by the corporations on diversity initiatives as well as the break down of employees by category (e.g., gender, race, and age) and level of positions within the corporation. However, this information was not found by the researchers or made available by the corporations. The researchers assured participants that corporations and their information

sources would not be identified in the study. In respect to that promise of confidentiality, the corporations and their spokespersons will be referred to only in general terms.

Profile of the Participants

Face-to-face interviews were conducted with eight diversity managers/directors in eight multinational corporations. Demographic and background information on the eight study participants were collected through a Demographic Information Form that the study participants completed during the final stage of the interview. Additional background information was collected in the interview through direct questioning of the study participants. The first question in the interview guide asked the participants to specify how and why they became involved in the field of workforce diversity. Additional questions and probes were used throughout the interview process to clarify participants' background information relevant to the topic.

Data collected from the Demographic Information Form were summarized to give a full picture of the participants. Demographic information was collected in nine categories: (1) gender, (2) age range, (3) race/ethnicity, (4) educational background by degree, (5) major field of study, (6) present position/title, (7) number of years in current position, (8) number of years with corporation, and (9) number of years of work experience. Of the eight participants, three were men and five were women. One participant was in the age range of 21- to 29-years old. Five participants were 40- to 49-years old. Two participants were in the age range of 50- to 59-years old. Of the eight participants, seven individuals were African American and one was Hispanic. Two participants had either a B.A. or B.S. degree. Three had an M.A., M.Ed. or M.B.A. degree. Three participants had J.D. degrees. Table 1 summarizes and compares the demographic characteristics of the participants by gender, age, race/ethnicity, and education by degree.

Table 1
A Comparative Chart of Participants' Gender, Age, Race/Ethnicity, and Degree

Case No.	Gender	Age Range	Race/Ethnicity	Degree
1	Female	50-59	African American	Masters
2	Female	40-49	Hispanic	Masters
3	Male	50-59	African American	J.D.
4	Female	40-49	African American	J.D.
5	Male	40-49	African American	J.D.
6	Female	40-49	African American	Masters
7	Female	40-49	African American	Masters
8	Male	21-29	African American	Masters

Table 2 presents the major fields of study for the participants. Three participants had educational degrees in law. One participant reported an educational background in industrial psychology and industrial relations. Another participant reported cultural anthropology, another human resources and public administration, and another industrial relations. Additionally, one reported a political science and philosophy background.

Table 2
Chart of Participants' Major Field of Study

Case No.	Field of Study
1	Industrial Psychology/Industrial Relations
2	Cultural Anthropology
3	Law
4	Law
5	Law
6	Human Resources/Public Administration
7	Industrial Relations
8	Political Science and Philosophy

Table 3 presents the positions and/or titles of the study participants. Three of the participants were directors of diversity. Two were vice presidents of diversity and another two were managers of diversity. One participant was a diversity strategist. Sixty-three percent of the diversity positions were at the director or vice-president levels. The eight study participants' status by years of experience was summarized in three categories: (1) number of years in current position, (2) number of years with current corporation, and (3) number of years of work experience. Participants ranged from three months to ten years of experience in their current position. The average number of years a participant worked in his or her position was approximately three years.

Table 3
Chart of Participants' Present Position/Title

Case No.	Position/Title
1	Vice President-Director of Global Diversity
2	Diversity Strategist
3	Director of Workforce Diversity
4	Director of Diversity Management
5	Vice President, Diversity Management
6	Director of Diversity Development
7	Manager of Diversity
8	Manager of Cultural Diversity

The number of years the study participants had been employed by their corporation ranged from three months to 21 years. The average number of years a participant was employed in their corporation was 7.3 years. The number of years of work experience ranged from five years to 25 years, with an average of 18.8 years. The majority of the study participants have been in their current position and have worked for their current corporation for less than five years but have 20 or more years of work experience. Table 4 presents the demographic characteristics by participant's major field of study, present position/title, number of years in present position, number of years with corporation, and number of years of work experience.

Table 4

A Comparative Chart of Participants' Major Field of Study, Position/Title, Years in Position, Years in Corporation, and Years of Work Experience

Case No.	Field of Study	Position/Title	Years in Current Position	Years in Corporation	Years of Work Experience
1	Industrial Psychology/Industrial Relations	Vice President-Director of Global Diversity	6.5 years	18 years	18 years
2	Cultural anthropology	Diversity Strategist	3 months	3 months	20 years
3	Law	Director of Workforce Diversity	6 months	4 years	25 years
4	Law	Director of Diversity Management	5 months	5 months	20 years
5	Law	Vice President, Diversity Management	1 year	1 year	20 years
6	Human Resources Public Adm.	Director of Diversity Development	10 years	21 years	20 years
7	Industrial Relations	Manager of Diversity	2.5 years	11 years	22 years
8	Political Science & Philosophy	Manager of Cultural Diversity	2.5 years	2.5 years	5 years

When the study participants were asked how and why they became involved in the field of workforce diversity, the majority indicated that they were interested and believed strongly in developing people to their full potential regardless of race, gender, or culture. They also felt that they had good strategic planning and problem solving skills which are essential for their positions. In addition, they indicated that they had a talent for bringing people together and the competencies required to work with senior level management.

Analysis of Annual Reports

Annual reports were collected from all eight corporations in the study. The researchers used the Annual Report Document Analysis Form to collect information on the corporation's commitment to diversity as demonstrated in their annual reports. The annual report is a key corporate document used to communicate a profile of an organization to its stakeholders. These stakeholders include employees, customers, stockholders, and interested members of the larger community. Therefore, the annual report reaches a large

audience and can be an influential and effective tool for communicating the corporation's position on diversity-related issues (Tomervik, 1994). Appendix B includes the Annual Report Document Analysis Form.

The Annual Report Document Analysis Form was used as an aid in compiling information on current organizational practices and key initiatives. The form was composed of 14 criteria, in the form of a checklist with questions, and addresses three broad concerns: (1) attention to general HR issues, (2) photographs depicting diversity in the workforce or in the customer base, and (3) descriptions of community relations activities. The major reasons for addressing these three broad concerns were as follows: First, if there were identifiable statements referring to human resources and the organization's commitment to its employees and the communities it serves, then the researchers could question whether workforce diversity was integrated into those statements in some way. Second, if photographs were included in the report, the researchers could observe whether diverse populations were represented as employees or customers. Third, if community relations programs were conducted by the organization, the researchers could determine whether programs were being conducted in a way that shows commitment to diversity.

The first six questions on the Annual Report Document Analysis Form assessed whether the organization was communicating positive statements regarding the value of its human resources. The questions were designed to assist the researchers in identifying general statements on human resources, mission statements, value statements, and guiding principles and their relationship to workforce diversity. The next six questions on the form addressed the range of photographs within the report. Those questions assisted the researchers in identifying annual report photographs that represent women, people of color, people with disabilities, and diverse customers. The last two questions addressed community relations programs and their role and commitment to diversity. A comment section on the form follows the checklist section for note-taking on general impressions and reactions to the document.

The researchers completed the Annual Report Document Analysis Form on the 1996 annual reports from the eight corporations in the study. The corporate ratings on the 14 criteria were tabulated and recorded. The number of corporations with positive ratings for each criterion were recorded (see Table 5).

Table 5
Positive Ratings on the 14 Annual Report Document Analysis Criteria
(n = 8)

Items of Analysis	No. of Positive Corporations
1. Human resource statement	8
2. Mission statement addressing human resources	5
3. Mission statement includes workforce diversity	3
4. Commitment of community	3
5. Guiding principles, values	8
6. Guiding principles include workforce diversity	6
7. Photos of employees	7
8. Photos reflecting diversity	7
9. Photos of female employees	7
10. Photos of people of color	7
11. Photos of people with disabilities	0
12. Photos of diverse customer base	7
13. Section on community relations	7
14. Community programs with commitment to diversity	6

The researchers also rank ordered the corporations by total of positive responses on the Annual Report Document Analysis Form (see Table 6).

Table 6
Rank Order of Corporations by Total Number of Positive Responses

Corporation	Total No. Positive Responses
3	13
1	11
4	11
7	11
6	10
8	9
2	8
5	8

All of the corporations' annual reports included general statements on human resources (Item #1) and seven (63%) included an organizational mission statement that addressed human resources (Item #2). However, only three (38%) of the corporations addressed workforce diversity (Item #3) or a commitment to the communities it serves (Item #4) in their organization's mission statement. All the corporations' annual reports included the organization's guiding principles or value statements (Item # 5), and 6 (75%) of those addressed workforce diversity in some way (Item #6). While seven of the annual reports (88%) included photographs of employees other than the president, chairman, and the board of directors (Item #7), as well as photographs reflecting diversity (Item #8), female employees (Item #9), people of color (Item # 10), and a diverse customer base (Item #12), none of the annual reports included photographs of people with disabilities (Item #11).

Community relations reporting in the annual reports was another way diversity was emphasized. Seven (88%) of the annual reports included a section on community relations or outreach programs (Item #13), and 6 (75%) of those exemplified the organization's commitment to diversity (Item #14). (Table 8 reports the total number of positive responses in rank order by corporation. One corporation had 13 positive responses out of the 14 criteria. In addition, 5 (63%) of the corporations had 10 or more positive responses.)

The annual report is an important communication tool for organizations because it reaches the organization's stakeholders—customers, employees, shareholders, and the broader community (Tomervik, 1994). Definitely, the corporations in this research study are using their annual reports as a technique for articulating the organization's commitment to diversity, affirming the importance of human resources, reporting progress, and presenting the positive results of workforce diversity initiatives. Overall, it seems that the majority of the corporations studied are using their annual reports to communicate workforce diversity issues internally and externally.

Interviews and Related Documents

Eight basic subsections under this section report the findings from the analysis of the interviews and related documents. The findings presented in these subsections combine information from both data sources into the overall data analysis. Essentially, the

documents were utilized to confirm and verify the information provided by the interview participants. A Related Document Analysis Form (see Appendix C) was completed for each document in the related documents collection. The Related Document Analysis Form was designed to assist in the collection and analysis of the information obtained about the corporations and to document the diversity efforts within each corporation as it related to the eight research questions. The eight subsections are organized and summarized according to the research questions that guided this study, which are presented at beginning of the report. The subsections are (1) Context of Diversity Initiatives, (2) Initiatives for Managing Diversity in Corporations, (3) Diversity Initiatives Planning, (4) Implementation of Diversity Initiatives, (5) Evaluation of Diversity Initiatives, (6) Factors Assisting in the Success of Diversity Initiatives, (7) Barriers to Diversity Initiatives, and (8) Future of Diversity Initiatives in Corporations.

Context of Diversity Initiatives

Research question number one addressed the context of diversity initiatives in the corporations. To address this area, the study participants were asked how diversity was defined within their organizations and how they arrived at the definition. The study participants were asked to identify what were the major factors influencing diversity initiatives in their organizations. The study participants were also asked to describe the company's organizational culture as it relates to diversity. In addition, the participants were asked what was the catalyst for addressing workforce diversity in their organizations. Then, the study participants were asked to describe the evolution of diversity initiatives in their organizations and to identify who pioneered the diversity efforts in their organizations.

Definition of Diversity

The study participants were asked to define diversity within their organizations and describe how they had arrived at the definition. There was agreement among all the study participants that diversity needs to be defined very broadly so that it can include everyone in the organization. According to the study participants, the advantage of the broad definition is that it acknowledges the differences all people bring into organizations as assets. Furthermore, diversity has to do with understanding, accepting, and valuing the differences that make each individual unique. A study participant stated,

> Inclusion is an approach to diversity that is driven by the demand of business and maximizes individual contribution in a manner that serves the company, the marketplace, and the employees. It also establishes diversity as an initiative that benefits everyone, rather than meet the needs of a collect group of people.

Another research participant indicated that "Diversity today is valuing the differences among people and ensuring that the work environment is representative of the variety of people that represents our country."

The following are additional phrases used by the study participants to define and explain diversity within their organizations:

- Diversity fosters an environment where all employees have the opportunity to reach their full potential.
- Diversity is the full utilization of all the talents and energies of all our people.
- Diversity means having an inclusive environment in which everyone is valued and respected.
- Diversity is the full utilization of our human resources, which translates into us being a stronger and more competitive organization.
- Diversity brings our employees, customers, vendors, communities, and other associates together in a way that it has a positive impact on our performance.

There were two major ways that the organizations studied arrived at their definition of diversity. First, the definition of diversity was based on the specific needs of the organization and how diversity was affecting the employees and the organization. For example, one study participant stated, "We are a global organization and, therefore, we needed a global perspective; so we defined diversity very broadly in order to tap into all the creativity and potential that diversity brings." Another study participant said,

> The definition for diversity was developed by a corporate executive committee based on what would work best for our company employees and business needs. Our company was serving a more diverse customer base and we needed employees that represent that diverse marketplace.

Second, according to the study participants, the definition of diversity first started with concerns regarding affirmative action and compliance issues and related for the most part to race and gender. However, the focus over time has grown more inclusive and includes the implications and impact of diversity on business issues. A study participant noted, "The definition of diversity started with the narrow focus of Affirmative Action and a compliance mode, but has grown into a business case." Still another participant stated,

> To begin with, the definition of diversity was very limited and was concerned only with affirmative action and equal employment opportunity types of issues, but the focus now has become more inclusive and recognizes the value of fully utilizing all members of the workforce.

Factors Influencing Diversity Initiatives in Organizations

The study participants together cited seven factors influencing diversity initiatives in their organizations. The range of factors cited by participants numbered from 4 to 6. The average number of factors influencing diversity initiatives was 4.9. Table 7 lists in rank order by frequency all the factors influencing diversity initiatives that were cited by the study participants. All of the study participants identified the following factors as influencing diversity initiatives in their organizations: demographic changes, diverse marketplace, and the need to improve productivity and remain competitive.

Table 7

Factors Influencing Diversity in Organizations (n = 8)

Factors	f	%
1. Demographic changes	8	100
2. Diverse marketplace	8	100
3. The need to improve productivity and remain competitive	8	100
4. Globalization	6	75
5. Top management's focus on diversity as a business strategy	4	50
6. Legal concerns	3	38
7. Diverse work teams	2	25

According to all the study participants, demographic changes such as the increased number of women workers, minority workers, older workers, and other diverse groups

have created a very diverse workforce. These demographic changes in the workforce also represent the changing marketplace for these companies. As this diversification of the workforce and marketplace continues, these corporations are having to implement diversity initiatives that help create work environments that develop and utilize the many talents and perspectives that diverse employees have to offer. This diverse workforce can then communicate with and serve diverse customers more effectively. A study participant stated, "We are now starting to realize that we cannot effectively address diversity in the marketplace without also effectively addressing diversity in the workplace." The need to improve productivity and remain competitive was another key factor influencing diversity initiatives in all the corporations studied. According to the study participants, improved productivity and remaining competitive is dependent upon the full utilization of all employee populations.

Six of the study participants (75%) also considered globalization as an important factor influencing diversity initiatives. The globalization of these corporations has created new challenges in working with very diverse employees, customers, suppliers, and stockholders around the world. Globalization for these companies means that they will have to compete with other companies around the world. This requires that they understand global markets and cultural implications of conducting business worldwide. The increase in global competitiveness has made diversity initiatives extremely important in these corporations.

Half of the study participants indicated that top management's focus on diversity as a business strategy was a major factor influencing diversity initiatives in their organizations. The top managers in these corporations see diversity as a business strategy that is essential for continued success in tapping the full potential of a diverse workforce and in remaining competitive. Three of the study participants (38%) also cited legal concerns as a factor influencing diversity initiatives. The study participants indicated that implementation of effective diversity initiatives can assist in the reduction and prevention of costly lawsuits relating to race discrimination, sexual harassment, and gender discrimination lawsuits. In addition, two of the study participants (25%) stated that diverse work teams was a factor influencing diversity initiatives in their organizations. According to the study participants, well-managed diversity leads to better working relationships, interaction, and communication among diverse work teams, which in turn leads to more productive work teams.

Description of the Companies' Organizational Culture

The study participants were asked to describe their company's organizational culture as it relates to diversity. The most frequent way that organizational culture was described with regards to diversity was with the phrase *diversity is valued*. All of the corporations studied were described as having environments that value the ideas and perspectives that various people bring. Another description given was that the organizational culture accepts and recognizes that diversity is needed. The organizational culture also recognizes that the diversity that various people bring is seen as important to the company's competitive edge. All of the corporations studied have cultures in which diversity is perceived as a key business issue.

Another frequently used term to describe the organizational culture was *inclusion*. All of the corporations studied have inclusion as a guiding value and ultimate objective. A study participant indicated, "Inclusion for us refers to a corporate culture, management practices, and interpersonal relationships that support the full utilization of a diverse workforce at all levels and in all functions of the organization." Seven of the corporations studied (88%) have strong community commitment as part of their cultures. Developing networks with the community and supporting multicultural activities were seen as part of the culture.

The culture of one of the corporations was described as having been typically male and technically oriented. However, through a cultural transformation, the culture of that organization is changing into one that is "able to value, embrace, and utilize everybody." In addition, another corporation was going through an aggressive organizational restructuring. The corporation was being split and its bureaucratic and hierarchical system was being changed. The corporate leaders' intention was to flatten the organization. This also implied a cultural change in which diversity was going to be integrated. It is the intention of the leaders to ensure that in this new culture, all employees are valued for their unique talents and contributions and that fairness exists. The flattening of the corporation is expected to generate greater participation from each and every employee.

Even though each corporation is different because the nature of their business is different, they all are striving to have a culture that creates an atmosphere of inclusion. They all are striving to develop a culture where differences are valued, all employees feel

comfortable being themselves, and employees have the opportunity to contribute to developing their full potential.

Catalyst for Addressing Workforce Diversity in Organizations

Six of the corporations studied (75%) started their diversity initiatives in a proactive way. For these corporations, diversity was a business imperative, a business strategy and a business issue. Diversity was seen as a "way to secure success for the company in the future." Diversity for these companies came from the need to have the best minds, the best ideas, and more creativity, which, in turn, was going to keep the corporations on the cutting edge. Having progressive and visionary CEOs who understood the value and importance of diversity was another catalyst that was mentioned frequently.

For half of the corporations, globalization has been the catalyst for addressing diversity. The need to have a global perspective was one of the reasons. The need to have a diverse workforce that mirrors the global marketplace was another reason that led these companies to start diversity initiatives. One of the study participants stated,

> We have been really proactive. We see that if we don't have the diversity we need on board and we don't value and leverage it, we are not going to be successful in the global market, because we will not be able to deal effectively with the diversity issues here and in other countries. To be successful, we have to have the global perspective.

Another catalyst mentioned by half of the study participants was the Texaco incident. The $176 million racial discrimination lawsuit against Texaco was seen as an example that should not be followed. The Texaco incident created awareness for these corporations regarding the negative effects of not having diversity initiatives in place. In other words, the Texaco lawsuit was seen as a negative example from which organizations could learn. One of the research participants stated that the President of his company "basically said he did not want their company to be a Texaco."

Two of the corporations studied (25%) perceived the need for implementing diversity initiatives in a reactive way. For one of the corporations, the need to have diversity initiatives came about as the result of an organizational survey that attempted to assess the Affirmative Action programs. The results showed that employees were not feeling happy within the organization and that inclusion was necessary. These were the

major motivators for the organization to implement diversity initiatives. The other organization saw the need to develop diversity initiatives because the corporation was in a serious financial crisis. To solve the financial problem, it was necessary to go through a cultural change and diversity was part of that. It was necessary to restructure the organization and bring new leaders who brought with them the idea that diversity was part of the strategy that would lead the corporation to become a financially stable institution. The leaders from this company knew that diversity was one of the "management strategies that had kept other organizations in the cutting edge, striving, and expanding." They saw diversity as part of their survival and as a way to keep them in the lead and competitiveness.

Evolution of Diversity Initiatives in Organizations

All of the corporations studied started their diversity programs with the Civil Rights Act or movement. Initially, it was a matter of compliance. All of them had to develop Affirmative Action Plans and set hiring goals or quotas. The compliance based programs made it possible to bring diverse people into organizations. However, as one research participant stated, "Women and minorities were at the lowest levels in the organization." Another participant said, "There were no support systems or policies that were needed to accommodate the new workforce." Another participant put it this way: "Due to legislation, there was a dramatic increase in the hiring of women and minorities in organizations, but they were treated like outsiders." As a result, many women and minorities were not comfortable, were not being fully utilized, and were not advancing, and a high percentage quit and left the organizations that had hired them. Therefore, support systems were needed for successful integration, and new approaches developed for valuing and managing diversity effectively.

The second stage in the evolution of diversity initiatives was the development of support systems. The majority of the corporations started forming task forces, employee networks, steering committees, management teams, and advisory councils or hiring consultants to develop frameworks for addressing diversity. One of the initiatives that became very important in this stage was the delivery of awareness-based diversity training. Seven (88%) of the corporations started offering awareness-based diversity training to provide information about diversity issues and to develop sensitivity. Parallel to this, corporations started developing policies mandated by law (e.g., regarding sexual

harassment). In addition, some of the following characteristics were evident: corporations started realizing the importance of needs assessment; some formal benchmarking was taking place; a definition for diversity, its mission, and vision was starting to be developed; and efforts to gain support for diversity across the organization began.

The third stage in the development of the diversity initiatives process was a greater commitment to the concept of diversity and the start of articulation of the business case for diversity. Seven of the corporations (88%) have engaged in cultural transformation or in organizational development, change, or restructuring to accommodate diversity. Five of the corporations studied (63%) have developed a more strategic, holistic and comprehensive approach toward diversity, which is becoming linked to the business strategy or business case. In addition, at this stage, some of the following characteristics were present: more education and training programs were now in place; diversity initiatives started addressing issues with upper level management in the organization; the diversity process, its value, and importance to the organization were now being communicated through employee newsletters, corporate newspapers, company reports, and CEO speeches; diversity training was offered for senior managers; and there was a systematic diversity approach to bringing about change within the organization.

The fourth stage in the development of the diversity initiative process was the formal link of diversity with the strategic business plan of the organization. All of the corporations in the study have linked their diversity initiatives to the organization's strategic business plan. Seven of the corporations (88%) have developed diversity strategic plans to address short and long-term diversity issues. In addition, at this stage, some of the following characteristics were evident: diversity accountability guidelines for managers were established; quantitative and qualitative diversity performance measures were developed; numbers of women and people of color in management positions increased; diversity strategies were approached in the same way as other business strategies; and diversity mission statements were established.

The fifth stage in the development of diversity initiatives was the planning, implementation, and development of international diversity initiatives. All of the corporations studied were very much concerned about the international dimension of diversity. Half of the corporations already had some kind of international diversity initiatives in place. Also, half of the corporations had developed marketing plans for an

international customer base. In addition, at this stage, some of the following characteristics were present: education and training programs for international leaders, increased numbers of women in international leadership positions, multicultural work teams from around the world, and global diversity goals and objectives.

Who Was Responsible for Pioneering Diversity Initiatives

The study participants were asked about who pioneered the diversity initiatives in their organizations. In five of the corporations studied (63%), the CEO was the major individual who pioneered the diversity initiatives for the company. In most cases, the CEO had the assistance of the diversity manager, other top managers, or employee groups. In one of these corporations, the CEO and employee groups started diversity initiatives, but the initiatives lacked focus and coordination. It was then necessary for the CEO to hire a diversity manager who could provide focus, organization, coordination, and structure and who could redesign the initiatives. This CEO, company employee groups, and the diversity manager have developed a comprehensive strategic diversity plan for the corporation.

In two of the corporations (25%), the diversity efforts were pioneered by the HR department. Even though the diversity efforts were pioneered by HR department in these corporations, in both cases, they had top leadership support. In one of these corporations the efforts started between the HR department and several business units within the company. A study participant put it this way: "It was the HR department and the business units figuring out that diversity wasn't only an HR issue or only a business issue but a combination of the two."

In one corporation, two divisions simultaneously and internally pioneered the diversity efforts. These divisions were facing major diversity issues, which led them to implement diversity initiatives. These two divisions within the company started focusing on diversity issues and started implementing diversity training and other diversity initiatives in order to solve problems. These diversity efforts resulted in great benefits to the company; therefore, a decision was made by top management that everyone in the company should get involved in diversity efforts. According to the study participant from this company, top management noticed that diversity efforts could help secure the future success of the company.

Initiatives for Managing Diversity in Corporations

To address research question number two, the study participants were asked two types of questions. The first related to domestic diversity initiatives and the second to international diversity initiatives. Also, the research made inquiries regarding the relationships between domestic and international diversity initiatives. The researchers also asked questions about the areas of diversity the organization addressed the most. In addition, the study participants were asked to identify the diversity initiatives that are the most effective. Diversity initiatives are specific activities, programs, policies and any other formal processes or efforts designed for promoting organizational culture change related to diversity (Arredondo, 1996).

Domestic Diversity Initiatives

To identify the diversity initiatives utilized by the corporations, the researchers content-analyzed the interview transcriptions and the related documents. Diversity initiatives were identified in the interview transcriptions, listed by corporation, and compared across organizations. Related documents verified and confirmed the information provided by the study participants on diversity initiatives. Seven of the corporations provided a copy of their strategic plan for diversity.

In the initial analysis, corporations were rank ordered based on the number of diversity initiatives participants cited in the interview process. Table 8 lists the number of initiatives by corporation. The eight corporations combined had a total of 396 diversity initiatives. The range of diversity initiatives employed in the eight corporations participating in the interview process was 33 to 65. The average number of diversity initiatives participants reported was 49.5. Although the corporations cannot be listed by name out of respect for confidentiality requirements, it can be noted that the majority (88%) of the corporations identified 41 or more diversity initiatives. Three (38%) of the corporations are utilizing 62 or more diversity initiatives.

Table 8
Total Number of Diversity Initiatives by Corporation

Case No.	n
1	62
2	43
3	48
4	41
5	65
6	42
7	62
8	33
Total	396

In the second step of the data analysis related to the diversity initiatives, the researchers developed seven categories of initiatives that were inclusive of the range of initiatives cited by the interview participants. Categories of initiatives emerged from the analysis of the interview data, the diversity strategic plans, and other documents provided by the study participants. The diversity initiatives were grouped under the following seven categories:

1. Leadership and Management
2. Education and Training
3 Community Relations
4. Communication
5. Performance and Accountability
6. Work–Life Balance
7. Career Development and Planning

In the third procedural step of the analysis, the researchers systematically reviewed the list of diversity initiatives by corporation and coded each initiative with a number

representing one of the seven basic categories listed above. Diversity initiatives identified in each of the categories were listed and rank-ordered according to the frequency of mention in the eight interviews. The diversity initiative categories are described below.

Leadership and Management

In total, the study participants cited 31 diversity initiatives that the researchers assembled under the category of leadership and management. The range of leadership and management diversity initiatives was 12 to 21. The average number of leadership and management diversity initiatives was 16.6. Table 9 lists in rank order by frequency all the leadership and management diversity initiatives that were cited by the study participants.

Table 9

Leadership and Management Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Senior management commitment	8	100
2. Diversity linked with strategic business plan	8	100
3. Consultants	8	100
4. Diversity mission statement	8	100
5. Recruiting plans for women and people of color	8	100
6. Increase numbers of women and people of color in management	8	100
7. Affirmative Action goals and plans	8	100
8. Diversity strategic plan	7	88
9. Retention plans for women and people of color	7	88
10. Marketing plans for diverse customer base	6	75
11. Diverse selection and promotion process	5	63
12. Cultural change/transformation	4	50
13. Diversity councils	4	50
14. Vendors/suppliers diversity programs	4	50
15. Benchmark with other companies on diversity	4	50
16. Diverse employee networks or resource groups	3	38
17. CEO commitment/leadership	3	38
18. Corporated Diversity steering committee	3	38
19. Corporated Diversity advisory boards	3	38
20. Task forces by division or business unit	3	38
21. Meetings with other corporation's workforce diversity managers	3	38
22. Diversity focus groups	3	38
23. Business unit diversity steering committee	3	38
24. Diversity discussion groups	2	25
25. Corporate diversity resource staff	2	25
26. Diversity as an aspect of new hire orientation	2	25
27. Change management that encourages greater diversity	2	25
28. Non-harassment policies	1	13
29. Physically and mentally challenged people recruiting plans	1	13
30. Senior citizen recruiting plans	1	13
31. Target selection identifying employees capable of thriving in diverse work environments	1	13

Senior management commitment was a leadership and management diversity initiative that was identified by all study participants. All of them indicated that senior management played a vital role in establishing workforce diversity in their corporations. The study participants stated that senior management's role included such things as communicating throughout the organization the importance of diversity as a business issue through policy statements, memos, letters, speeches, company newsletters and newspapers, and reports. Over half of the corporations have established diversity councils that represent the top people in the organization. The purpose of these councils is to look at how diversity issues relate to each function of the organization. All of the study participants indicated that their organizations had developed a diversity mission statement and that it was linked to the company's strategic business plan. The study participants indicated that the best way to maintain ongoing commitment for diversity initiatives was to effectively link them with the organization's business objectives.

In addition, all of the study participants indicated that their corporations use consultants in some way to plan, develop, implement, and evaluate diversity initiatives. Over half of the participants (63%) indicated using external consultants to conduct needs assessment, diagnosis, cultural audits, and 360-degree feedback analysis. One of the research participants stated, "Often times if we don't have the staff or the expertise that is required to effectively address diversity in the organization, we bring in external consultants." Another participant said,

> External consultants started doing employee surveys and focus groups for us. The feedback that we received from them was that diversity came up as an important issue that needed to be addressed, so from that feedback we implemented action plans to address these issues.

Over half of the participants (63%) indicated that they used external consultants to help them in the planning and delivery of diversity training programs. Sometimes external and internal consultants were used depending on the program and needs. A study participant stated,

> We have internal and external consultants working with us and this is very valuable to the company because it ensures credibility of having someone from the outside who is knowledgeable and has experiences with other companies, but also somebody internal who brings in our own perspective. We do co-training and co-facilitated sessions which are excellent. This internal and external consultant framework can be modified for each business unit.

Three of the study participants (38%) indicated that their corporations had a team of internal diversity consultants. The internal consultants' role was to assist other units in the corporations in the planning, implementation, and evaluation of diversity initiatives. These consultants had to be experts, not only in the diversity field but also in the area of training and development, as well as in organizational development or change. Consultants made themselves available to all employees and managers. They work with individual managers as well as with employee groups. These internal consultants also worked with the corporate management team and advised them on diversity issues and the types of things they could do related to diversity at the managerial level. The study participants believed that the use of an internal or external consultant depends on the circumstances of the specific organization, especially the complexity of the diversity issues, financial constraints, and the receptivity of employees.

All of the study participants indicated that their corporations have initiatives to recruit and promote women and people of color. To assist in the recruitment and promotion of women and people of color, affirmative action goals and plans are also utilized by all the corporations. The majority of the corporations (88%) also have in place initiatives that aim to retain women and people of color in the workplace. All of the study participants indicated that their corporations are focusing on increasing the representation of women and people of color at the managerial level. They looked at statistics to monitor the upper mobility of populations that are not represented at the top management level. Specific emphasis is placed on increasing representation of women and people of color at the managerial level in order to enhance their contribution throughout the organization. The study participants indicated that they are finding that the best and brightest candidates are increasingly made up of people who are diverse. Therefore, it is imperative, according to the study participants, for companies to recruit, hire, develop, and promote from the diverse talent pool in order to be productive and remain competitive.

Education and Training

The study participants cited 17 education and training diversity initiatives. The range of education and training diversity initiatives was 4 to 10. The average number of education and training diversity initiatives was 6.3. Table 10 lists all the education and training diversity initiatives that were cited by the study participants in rank order by frequency.

Table 10
Education and Training Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Diversity awareness training for managers and employees	7	88
2. Diversity skill training for managers and employees	7	88
3. Valuing diversity training for managers and employees	5	63
4. Diversity training senior management	5	63
5. Integrate diversity into other training	4	50
6. Diverse team training	4	50
7. Cultural training	3	38
8. Required diversity core training for managers	3	38
9. Diversity integrated into executive core training	2	25
10. Partnering with in-house trainer/external consultant	2	25
11. Sexual harassment training	2	25
12. Simulation diversity training	1	13
13. Diversity training conferences	1	13
14. Train-the-trainer diversity training	1	13
15. Consulting pairs	1	13
16. Interpersonal/communication skill building	1	13
17. Non-harassment training	1	13

According to the study participants, education and training was considered important for such areas as awareness building, skill building, helping employees understand the need for and meaning of managing and valuing diversity, educating employees on specific cultural differences and how to respond to differences in the workplace, providing the skills necessary for working in diverse work teams, improving employee understanding of the cultural mix within the organization, and assisting employees in learning about the culture and the community the organization is serving. Half of the study participants indicated that their organizations integrated diversity training into other training programs such as supervisory skills, performance management, communication skills, and management development. In addition, over half of the participants (63%) indicated that they offered diversity training for senior management. This diversity training showed managers the impact of diversity in the workplace and

provided them with the competencies and skills to change their thinking style to develop an inclusive culture. This diversity training also provides management with basic skills in communication, managing differences, and conflict resolution. It is also used to enhance skills in managing diverse populations.

Overall, the study participants saw diversity training and education as a crucial component to their overall corporatewide diversity strategy. One of the study participants stated, "We recognize training as being crucial because you cannot lead an organization to a vision or direction unless employees and managers have some understanding, and understanding is probably the seed that can influence knowledge and skills and ultimately behavior." Diversity education and training was seen by the study participants as a way to improve employee, management, vendor, and customer relations. In addition, according to the study participants diversity training is only one part of an organization's comprehensive diversity strategy and should not be utilized alone. In isolation, diversity training is not likely to have a major impact; but as part of an overall strategy, it can help move an organization forward by helping to maximize the potential of all employees.

Community Relations

The study participants cited 14 community relations diversity initiatives. The range of community relations diversity initiatives numbered from 3 to 11. The average number of community relations diversity initiatives was 6.1. Table 11 lists in rank order by frequency all the community relations diversity initiatives that were cited by the study participants.

Table 11
Community Relations Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Support for diverse cultural programs	7	88
2. Scholarships with a diversity focus	7	88
3. Sponsor women and minority associations	5	63
4. Sponsor educational programs for minorities	5	63
5. Company foundation funding with a diversity focus	5	63
6. School–business partnerships	4	50
7. Research funding related to women and minorities	3	38
8. Internships with a diversity focus	3	38
9. Mentor programs for minority students	3	38
10. Company leaders members of minority organization's boards	2	25
11. Sponsors publications for minorities	2	25
12. Sponsor television programs on diversity	1	13
13. Programs helping the elderly	1	13
14. Distributes material to the community bilingually	1	13

Community relations activities were seen as important by all the study participants. The majority of the corporations studied (88%) provided support for diverse cultural programs (e.g., national touring exhibitions of African-American art, minority dance companies, Boys' Choir of Harlem) and scholarships with a diverse focus (e.g., African Americans, Hispanics, and Native Americans). In addition, over half of the corporations (63%) sponsored women and minority associations and educational programs for minorities and provided corporate funding with a diversity focus. Some of the other community relations efforts included school–business partnerships, research funding related to women and minorities, internship with a diverse focus, mentor programs for minority students, and company leaders participating as members of boards of minority organizations. According to the study participants, time, money, and effort spent on community relations initiatives is an investment in the current and future workforce and is good customer relations. In addition, community relations diversity initiatives are seen as strategies that help change the corporation's image in minority communities.

A study participant stated,

> Community relations and outreach programs for minorities are important for corporations for three reasons: communities are where corporations sell their products and communities are becoming more and more diverse; corporations want to have a great reputation with the entire community, and minority communities have been ignored for many years; and be able to get outside corporations and see what is happening in communities, so that employees and managers can develop an understanding of their customer base.

Another study participant indicated, "We support the communities where we do business because we draw our employees, customers, and suppliers from those communities." Overall, the corporations studied have as a principle to support those community relations programs that are related to the corporation's values. In general these corporations fund community based programs that add more value in terms of future customers and workforce.

Communications

There were 14 communication diversity initiatives cited by the study participants. The range of communication diversity initiatives numbered from 4 to 7. The average number of communication diversity initiatives was 5.9. Table 12 lists in rank order by frequency all the communication diversity initiatives that were cited by the study participants.

Table 12

Communication Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Diversity statement in annual report	6	75
2. Diversity brochure	6	75
3. Articles in company newsletter	5	63
4. Seek public attention for diversity efforts	5	63
5. Letter/memo from CEO in diversity plan	5	63
6. Speeches by CEO/senior executives	4	50
7. Publish diversity calendar	3	38
8. Articles in company newspapers	3	38
9. Publish journal/magazine articles on diversity	3	38
10. Diversity pamphlets	2	25
11. Advertisements on diversity	2	25
12. Provide training in multiple languages	1	13
13. Diversity communication posters	1	13
14. College relations communicating company diversity vision	1	13

Seventy-five percent of the corporations in the study had diversity statements in their annual reports. The majority of the corporations had also published other materials such as brochures, company newsletter articles, company newspaper articles, calendars, journal/magazine articles, posters, and diversity pamphlets to introduce and explain the company's diversity initiatives.

One corporation published *Diversity Update*, a bimonthly newsletter. This newsletter has sections on diversity perspectives, diversity policies, relevant news and issues on diversity that affect the corporation internally as well as externally, and advertisements on the corporation's tools and resources. Some of the tools and resources this corporation has are a Diversity Resource Center and a computerized diversity database. They also have a collection of over 100 books and 200 articles on workforce diversity.

Another corporation had a partnership between the workforce diversity department and the corporate affairs office to develop a diversity media strategy that was both internal

and external to the corporation. One of their strategies included a newspaper that was published quarterly; and in every issue, there were articles about diversity to make employees aware of what the company is doing in the area of diversity. For example, they have had articles on work–life balance, community relations activities, and the company's diversity strategy.

The majority of the study participants also indicated that their CEOs and/or senior managers have issued communication statements on the importance of diversity to the business goals of the corporation in forms of letters, memos, and speeches. One study participant stated, "We spend much time communicating the importance of diversity internally and externally, so that people can understand that diversity is a business issue."

Performance and Accountability

The study participants cited 14 performance and accountability diversity initiatives. The range of performance and accountability diversity initiatives numbered from 3 to 10. The average number of performance and accountability diversity initiatives was 5.6. Table 13 lists in rank order by frequency all the performance and accountability diversity initiatives that were cited by the study participants.

Table 13

Performance and Accountability Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Diversity performance linked to corporate objectives	6	75
2. Monitor and report progress related to diversity	6	75
3. Diversity accountability guidelines for managers	5	63
4. Quantitative and qualitative diversity performance measures	5	63
5. Evaluate business units' diversity performance	4	50
6. Senior management accountability	3	38
7. Define and reward behaviors that reinforce diversity	3	38
8. Evaluate managers' diversity performance	3	38
9. Inclusion of diversity goals in formal corporate objectives	2	25
10. Tie diversity performance to managers' compensation	2	25
11. Tie diversity performance to individual incentive compensation	2	25
12. Recognition/reward for achieving diversity goals and behaviors	2	25
13. Accountability for the achievement of diversity objectives for all managers and employees	1	13
14. Benchmarking to identify optimum diversity performance	1	13

The majority of the study participants (75%) stated that their corporations had methods for measuring diversity performance. According to the study participants, failing to assess diversity performance sends a message to employees that diversity is not valued or important. Over half of the corporations studied (63%) have initiatives dealing with management accountability related to diversity performance. Managers are held accountable for developing diversity action plans to meet their business unit and corporate goals and objectives. Diversity performance at the business unit level as well as the individual level is then linked to compensation by emphasizing both qualitative and quantitative aspects of achievement and by rewarding behavior that promotes diversity.

Some examples of qualitative measures in a unit's diversity evaluation given by the study participants included use of diversity training, mentoring, career development, use of minority vendors and suppliers, and publishing news related to diversity efforts.

Quantitative measures included number of women and minorities in internship program, number of women and minorities hired, number of women and minorities promoted, retention rates of women and minorities, and level of employee complaints.

Other accountability methods ranged from a simple checklist of diversity activities and actions to comprehensive measurement systems. Accountability tools such as 360-degree feedback, employee attitude surveys of management behavior, focus groups, employee satisfaction surveys, exit interviews, former employee surveys, evaluations that incorporate diversity objectives, and self evaluations were also used. Some companies attached a percentage of compensations and bonus directly to the accomplishment of diversity objectives.

One corporation studied developed a Diversity Progress Index (DPI), which is an assessment and planning tool designed to support and assist in the development of a comprehensive diversity strategy and plan for each of its business units. The DPI helps assess where the business units are currently and assists in the development of short-term and long-term diversity plans. According to the study participants, performance and accountability related to diversity is about effectively implementing initiatives, modeling appropriate behavior, creating a satisfying and productive environment, and meeting business goals and objectives.

Work–Life Balance

The study participants cited 13 work–life balance diversity initiatives. The range of work–life balance diversity initiatives numbered from 3 to 7. The average number of work–life balance diversity initiatives was 4.8. Table 14 lists in rank order by frequency all the work–life balance diversity initiatives that were cited by the study participants.

Table 14

Work–Life Balance Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Flexible work time	5	63
2. Telecommuting	4	50
3. Childcare center	3	38
4. Childcare resource and referral services	3	38
5. Relocation assistance	3	38
6. Child adoption support	3	38
7. Job sharing	3	38
8. Family care leave assistance	3	38
9. Part-time work assignments	3	38
10. Working at home	2	25
11. Reimbursement for dependent care	2	25
12. Fitness and wellness programs	2	25
13. Elder care referral services	2	25

Over half of the corporations studied (63%) offered flexible work arrangements. Other flexibility in work arrangements specified by the study participants included telecommuting, job sharing, working at home, and part-time work assignments. This workplace flexibility was offered by the corporations to accommodate the diverse needs and lifestyles of their employees. Other benefits such as childcare centers, childcare resource and referral services, relocation assistance, family care leave assistance, elder care referral services, and reimbursement for dependent care were also mentioned by the study participants. According to the study participants, these kinds of organizational accommodations make it easier for corporations to hire and retain both men and women, because they lessen the stress of balancing the demands of work and home.

Work–life balance programs are an important way of retaining capable, dedicated employees who may otherwise leave due to family responsibilities. The study participants also indicated that some of the advantages for companies who provide these services to employees included lower turnover and absenteeism rates, greater job commitment and satisfaction, and improved productivity.

Many of the study participants indicated that successful work–life initiatives begin with a thorough review of the employees' and managers' needs, and then relate those needs to bottom line issues such as turnover, absenteeism, performance, productivity, recruitment, and retention. Essentially, this involves analyzing the needs of the employees and the needs of the company. According to the study participants, being responsive to the wide range of lifestyle differences of all their employees turns diversity into a competitive advantage.

Career Development and Planning

There were 13 career development and planning diversity initiatives cited by the study participants. The range of career development and planning diversity initiatives numbered from 3 to 6. The average number of career development and planning diversity initiatives was 4.3. Table 15 lists in rank order by frequency all the career development and planning diversity initiatives that were cited by the study participants.

Table 15
Career Development and Planning Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Identification process for high potential women and people of color employees	5	63
2. Employee networks or support groups	5	63
3. Mentoring/coaching	4	50
4. Development planning to enhance employees' skills and behaviors	4	50
5. Succession planning	3	38
6. Minority college relations to identify diverse employees	3	38
7. Career planning orientations that deal with diversity issues	2	25
8. Developmental assignments	2	25
9. Individual development plans	2	25
10. Career counseling	1	13
11. Career development seminars	1	13
12. Feedback from employees on the content, utility, fairness of the career management process for a diverse workforce	1	13
13. Supervisory training in career planning including diversity content	1	13

The majority of the study participants (63%) indicated that their corporations have established career development and planning initiatives for women and people of color. Sixty-three percent of the corporations had identification processes for high potential women and people of color. There were typically two significant objectives to this initiative: one was to ensure that high potential women and people of color candidates are provided with opportunities for development, and the second was to get more representation of women and people of color into senior level management ranks.

In addition, the majority of the corporations (63%) had employee networks or support groups. These employee networks or support groups provide a supportive forum in which career guidance information is exchanged and members share common experiences and concerns and become resources to each other. These networks may consist of groups of women, African Americans, Hispanics, and Asian Americans and sometimes evolve into advocacy groups that negotiate with senior management on career development and other business issues. In several of the organizations, succession planning, career counseling, and career development seminars were linked to diversity initiatives.

Half of the corporations studied had established mentoring/coaching programs. These mentor/coaching programs were mostly targeted at women and people of color, although others were not excluded. The focus of these programs was to assist women and people of color in their career development by providing them with someone who could share their expertise with them; give them feedback about their abilities, their performance, and their career options; suggest strategies for advancing in their careers; and provide them with personal support and encouragement. According to the study participants, effective career development and planning programs create a work environment that is fair and equitable and provide development opportunities for all employees throughout the organization.

In total, the interview participants together cited 116 diversity initiatives currently utilized in their organizations (see Table 16). While there may be some perceived overlap in categories and some diversity initiatives could be included under a larger category, each initiative is distinctive. For example, a number of performance and accountability diversity initiatives could also be useful in leadership and management. Another example is that some career development and planning initiatives could be categorized under the education and training diversity initiatives. The largest number of diversity initiatives cited was in the category of leadership and management. The second largest category was education and training. Table 16 summarizes this breakdown.

Table 16
Number of Diversity Initiatives by Category

Category	Number of Initiatives	%
1. Leadership and Management	31	27
2. Education and Training	17	15
3. Community Relations	14	12
4. Communication	14	12
5. Performance and Accountability	14	12
6. Work–Life Balance	13	11
7. Career Development and Planning	13	11
Total	116	100

Table 17 reports the total number of diversity initiatives, by category, used by all the corporations studied. As stated earlier, altogether there were 396 diversity initiative being utilized by all the corporations studied. The leadership and management category had the most diversity initiatives being utilized by the corporations. In fact, it had twice as many as any other category. The next category with the most diversity initiatives was education and training, followed by community relations, communication, performance and accountability, and work–life balance. The category with the least number of initiatives was career development and planning.

Table 17
Total Number of Diversity Initiatives by Category
Used by All Corporations

Category	Number of Initiatives	%
1. Leadership and Management	133	34
2. Education and Training	50	13
3. Community Relations	49	12
4. Communication	47	12
5. Performance and Accountability	45	11
6. Work–Life Balance	38	10
7. Career Development and Planning	34	9
Total	396	100

Table 18 summarizes the total number of diversity initiatives by category and by corporation. Table 19 lists the top 44 diversity initiatives; these initiatives were cited in 50% or more of the interviews. This table combines the highest ranked diversity initiatives presented in Tables 9, 10, 11, 12, 13, 14, and 15.

Table 18

Number of Diversity Initiatives by Category and by Corporation

	Corporation Number								
Category	1	2	3	4	5	6	7	8	Total
1. Leadership and Management	17	13	18	15	21	16	21	12	133
2. Education and Training	5	7	8	5	7	4	10	4	50
3. Community Relations	11	5	3	6	8	7	6	3	49
4. Communication	7	6	7	6	7	6	4	4	47
5. Performance and Accountability	9	4	4	3	10	3	9	3	45
6. Work–Life Balance	7	4	5	3	7	3	5	4	38
7. Career Development and Planning	6	4	3	3	5	3	7	3	34
Total	62	43	48	41	65	42	62	33	396

Table 19

Diversity Initiatives Most Frequently Cited by Participants (n = 8)

Diversity Initiative	f	%
1. Senior management commitment	8	100
2. Diversity linked with business strategic plan	8	100
3. Consultants	8	100
4. Diversity mission statement	8	100
5. Recruiting plans for women and people of color	8	100
6. Increase numbers of women and people of color in management	8	100
7. Affirmative Action goals and plans	8	100
8. Diversity strategic plan	7	88
9. Retention plans for women and people of color	7	88
10. Diversity awareness training for managers and employees	7	88
11. Diversity skill training for managers and employees	7	88
12. Support for diverse cultural programs	7	88
13. Scholarships with a diversity focus	7	88
14. Marketing plan for diverse customer base	6	75
15. Diversity statement in annual report	6	75
16. Diversity performance linked to corporate objectives	6	75
17. Monitor and report progress related to diversity	6	75
18. Diversity brochure	6	75
19. Diverse selection and promotion process	5	63
20. Valuing diversity training for managers and employees	5	63
21. Diversity training senior management	5	63
22. Sponsor women and minority associations	5	63
23. Sponsor educational programs for minorities	5	63
24. Company foundation funding with a diversity focus	5	63
25. Articles in company newsletter	5	63
26. Seek public attention for diversity efforts	5	63
27. Letter/memo from CEO in diversity plan	5	63
28. Diversity accountability guidelines for managers	5	63
29. Quantitative and qualitative diversity performance measures	5	63
30. Flexible work time	5	63

Table 19 (cont.)

Diversity Initiative	f	%
31. Identification process for high potential women and people of color employees	5	63
32. Employee networks or support groups	5	63
33. Cultural change/transformation	4	50
34. Diversity councils	4	50
35. Vendors/suppliers diversity programs	4	50
36. Benchmark with other companies on diversity	4	50
37. Integrate diversity into other training	4	50
38. Diverse team training	4	50
39. School–business partnerships	4	50
40. Speeches by CEO/senior executives	4	50
41. Evaluate business units' diversity performance	4	50
42. Telecommuting	4	50
43. Mentoring/coaching	4	50
44. Development planning to enhance skills and behaviors of all employees	4	50

International Diversity Initiatives

The study participants were asked to identify the diversity initiatives their corporations were utilizing for managing diversity internationally. All of the corporations studied are very much concerned about the international dimension of diversity. Four of the corporations (50%) are implementing diversity initiatives internationally. Two of the corporations (25%) are in the stage of planning diversity initiatives internationally. Two of corporations have international diversity initiatives, but the diversity department does not deal with them. In this case, the initiatives are the responsibility of the corporate international department.

International Diversity Initiatives at the Implementation Stage

The study participants cited ten diversity initiatives currently being implemented internationally. The range of international diversity initiatives numbered from 0 to 7. The average number international diversity initiatives was 2.8. Table 20 lists in rank order by frequency all the international diversity initiatives that were cited by the study participants.

Half of the corporations studied have marketing plans for international customer base. According to the study participants, for their organizations to remain competitive, they need to successfully compete for diverse customers around the world. This often requires them to alter their products or services as they seek customers around the world. Three of the corporations studied (38%) conduct worldwide diversity conferences annually. These worldwide diversity conferences include multicultural seminars for senior management development. In addition, leaders from different parts of the world meet at this conference to discuss and work on business processes and solutions and to address global customers' issues.

Table 20
International Diversity Initiatives (n = 8)

Diversity Initiative	f	%
1. Marketing plans for international customer base	4	50
2. Worldwide diversity conferences	3	38
3. Education and training programs	3	38
4. International recruiting programs	3	38
5. Increase number of women in international leadership positions	2	25
6. International consultants	2	25
7. International community involvement	2	25
8. Employee temporary exchange program	1	13
9. Career planning that incorporates international assignments	1	13
10. Multicultural work teams	1	13

Three of the corporations (38%) have education and training programs on diversity for their international leaders. One of the corporations studied has a system in place where the education and training programs are translated multilingually. Another three of the corporations (38%) have international recruiting programs in which they actively recruit international workers for positions in their domestic operations, especially in the fields of engineering and computer science.

Two of the corporations (25%) with international diversity initiatives focused their attention on the upper mobility of women to leadership positions in all the countries where they have operations. Another two of the corporations (25%) also have internal consultants in the United States who travel abroad to help their company find diversity solutions and plan, develop, and implement diversity initiatives. Still another two of the corporations (25%) have community involvement programs. These corporations contribute money, technology, time, human resources, and expertise to enhance social, health, educational, and cultural programs in countries where they have operations. According to the study participants, their growth and profits are becoming increasingly dependent upon generating sales and profits in other countries. It is therefore important for managers to have the ability to understand and accept different cultures and to have the skills to effectively interact with people from many different countries and backgrounds.

One of the corporations studied (13%) had an employee temporary exchange program. This meant that if the organization had an exceptional employee in a plant or department and that employee's skills and knowledge were needed in another part of the world, the corporation would temporarily send that employee to that location so that his/her special skills and knowledge could be better utilized. One study participant commented,

> What we are trying to become is a transglobal company. That means if we have a person in Honduras who has extraordinary skills in product development, and for example we need those kinds of skills in Shanghai, we can take that person from Honduras and put him in Shanghai, and then bring a person from Shanghai to the United States who may have the skills we need here.

International Diversity Initiatives at the Planning Stage

Two of the corporations (25%) are in the planning stage of international diversity initiatives. One of these corporations is working with an external consultant in the planning of initiatives for addressing the international marketplace. The other corporation is in the process of developing instruments that will assist them in identifying the diversity needs of their business internationally. This organization is in the process of planning the international needs assessment process. Once the needs are identified, they are planning to use that information to develop international diversity initiatives. Two of the corporations (25%) are planning to use external consultants who specialize in global diversity to obtain guidance and direction on addressing the international marketplace and workforce. One of the research participants stated, "We had the benefit of working with an excellent consultant

who is helping us with our global vision and strategy." Another participant said, "We are going to have a conference with an international diversity practitioner. He is going to basically lay out the framework for us to begin addressing diversity in the international marketplace and workforce."

Relationship Between Domestic and International Diversity Initiatives

The study participants were asked to identify the relationships between domestic and international diversity initiatives. Six of the study participants (75%) described the relationship between both types of initiatives. In two of the corporations (25%), international diversity initiatives belonged to the corporate's international department. Therefore, in both of these companies, it was not possible to establish the connection between domestic and international diversity initiatives.

Six of the study participants (75%) agreed that the same values and principles that guided the domestic diversity initiatives should be the ones that also guide international initiatives. Inclusion and full utilization of people were the most frequently mentioned principles that guided both domestic and international initiatives. Inclusion and full utilization meant giving individuals such as women, minorities, and other groups of people who in the past were excluded and underutilized the opportunity to contribute and reach their full potential in the corporations. One study participant indicated, "Our domestic and international diversity models are essentially the same because they both focus on the full utilization and inclusion of people. These models put gender, race, culture and other issues aside and can work in any country." Inclusion and full utilization also meant that corporations in the United States and internationally should make efforts to bring in the best minds and more creativity regardless of the individuals' social status, race, and gender.

Another commonality mentioned between domestic and international initiatives was the development of understanding and appreciation for cultural differences. A study participant put it this way,

> We can capitalize on our understanding of people with different cultures here in America. If we can understand and value different cultures here in America, we are more likely to be successful in understanding and valuing different cultures in other countries and therefore compete more effectively globally.

Another similarity mentioned between domestic and international diversity initiatives included the adaptation of products and services to satisfy diverse customer wants and needs. For these corporations to be profitable, they have to adapt their products and services in the United Stated to meet the needs of their diverse customer base. Abroad, they also have to adapt their products and services to the different countries' cultures and customers.

One study participant gave an example of a diversity initiative that was developed in Asia and was transferred into the United States. This diversity initiative was a global customer program in which leaders of the plants and branches from all over the world work together to approach business solutions and to develop a better understanding of working with differences. This program was brought to the United States to assist in creating a new structure for managing and valuing diversity. According to four of the study participants (50%), many countries face diversity issues similar to the ones found in the United States. Gender, culture, job segregation, pay inequity, and limited advancement opportunities are issues that seem to be present in many parts of the world.

Areas of Diversity Addressed the Most by Corporations

The research participants were requested to identify the areas of diversity their corporations have addressed most. The study participants together cited ten areas of diversity that their companies address the most. The range of diversity areas cited by participants numbered from 6 to 9. The average number of diversity areas was 7.3. Table 21 lists in rank order by frequency all the areas of diversity that were cited by the study participants. All of the corporations studied have addressed the following areas of diversity the most: race, gender, upper mobility of women and people of color, work–life balance, and sexual harassment.

Table 21

Areas of Diversity Addressed the Most by Corporations (n = 8)

Area of Diversity	f	%
1. Race	8	100
2. Gender	8	100
3. Upper mobility of women and people of color	8	100
4. Work–life balance	8	100
5. Sexual harassment	8	100
6. International markets	6	75
7. Domestic diverse markets	6	75
8. Age	3	38
9. People with disabilities	2	25
10. Sexual orientation	1	13

All of the corporations studied placed a very strong emphasis on race and gender, and many included these areas in their diversity training programs. One study participant had this to say:

> Diversity should include all differences, but the first major focus should be on race and gender. The reason for this focus is that you cannot get to more sophisticated aspects of diversity such as appreciation of diversity and diversity of thought if you cannot deal effectively with very visual diversity such as race and gender. The United Stated has not dealt effectively with race and gender, and with global competition coming we have to get serious about it now, or we are going to lose our competitive advantage.

All of the corporations studied also mentioned the upper mobility of women and people of color as an important area of diversity with a major emphasis placed on increasing the representation of these individuals at the managerial level. Work–life balance was another area of diversity that was addressed the most by the corporations studied. According to the study participants, changes in family structure, lifestyles, work ethics, and demographic changes are increasing the importance of work–life balance programs. Sexual harassment was also mentioned as an area most addressed by the corporations. Sexual harassment was taken very seriously by these corporations and several included this area in their diversity training programs.

Six of the corporations (75%) studied identified international markets and domestic diverse markets as areas of diversity that they addressed the most. According to the study participants, many of their business opportunities are increasingly related to a diverse customer base both domestically and internationally. Therefore, they need to have the skills and abilities to deal with diverse consumers in order to remain profitable and competitive.

Most Effective Diversity Initiatives

The research participants were asked to identify the diversity initiatives that are the most effective in their corporations. *Multiple responses were accepted.* Table 22 presents in rank order by frequency the diversity initiatives identified as most effective by the study participants.

Table 22

Diversity Initiatives Identified as Most Effective (n = 8)

Diversity Initiative	f	%
1. Education and Training	7	88
2. Leadership and Management	6	75
3. Performance and Accountability	4	50
4. Communication	3	38
5. Community Relations	1	13
6. Work–Life Balance	1	13
7. Career Development and Planning	1	13

Seven of the study participants (88%) indicated that education and training diversity initiatives were among the most effective. Some of the education and training diversity initiatives mentioned by the study participants included diversity awareness and skill training for managers and employees, diversity training for senior managers, and diverse team training.

Leadership and management diversity initiatives were cited also among the most effective ones by six of the study participants (75%). Examples of leadership and management initiatives mentioned by the study participants included senior management

commitment; diversity strategic plans; and the recruitment, retention, and advancement of women and people of color. It is interesting to note that, although the corporations studied are utilizing more leadership and management diversity initiatives than any other type of diversity initiatives, more participants indicated that education and training diversity initiatives were most effective.

Half of the study participants stated that performance and accountability diversity initiatives were among the most effective ones. Using diversity accountability guidelines for managers, rewarding employee behavior that reinforces diversity, and quantifying diversity performance measures were examples of performance and accountability initiatives cited by the study participants.

Three of the study participants (38%) reported that communication diversity initiatives were among the most effective ones in their corporation. One study participant identified community relations diversity initiatives as the most effective, another one mentioned work–life balance, and still another mentioned career development and planning.

Although many diversity initiatives were identified as most effective, many of the study participants indicated that no single diversity initiative or activity, used in isolation, is likely to address diversity effectively. What they believed was needed was a comprehensive diversity strategic plan that includes many carefully selected initiatives adapted to organizational needs, tied to business goals and objectives, and used strategically in an ongoing manner.

Diversity Initiatives Planning

The third major research question for this study focused on determining how the diversity initiatives were planned in the corporations. To address this objective, the study participants were asked to explain how the needs for diversity initiatives are determined. In addition, they were asked how diversity initiatives are planned in their organizations.

How Needs for Diversity Initiatives Are Determined

The study participants were asked to describe how the needs for diversity initiatives were determined in their organizations. All of the corporations in the study had informal

and formal methods in place for identifying their diversity initiative needs. In addition, they all used a variety of methods for gathering information. The informal methods for gathering information consisted of two types. First, most of the organizations had an open door policy where employees could come to the diversity department and state their needs and concerns regarding diversity issues. Second, diversity councils, employee groups, advisory councils, minority advisory groups, diversity committees, and other networking groups were used as a valuable informal method for obtaining information about the diversity needs of the corporation.

The study participants together cited ten formal methods for determining diversity initiatives needs. The range of formal methods cited by participants numbered from 3 to 5. The average number of formal methods used was 3.5. Table 23 lists in rank order by frequency all the formal methods for determining diversity initiative needs that were cited by the study participants.

Table 23

Formal Methods for Determining Needs for Diversity Initiatives (n = 8)

Method	f	%
1. Employee surveys	6	75
2. Cultural audits	4	50
3. Benchmarking	4	50
4. Demographic statistics	3	38
5. Focus groups	3	38
6. Interviews with managers	3	38
7. Employee exit interviews	2	25
8. Former employee surveys	1	13
9. Electronic brainstorming	1	13
10. Research conducted on diversity by external researchers	1	13

Six of the study participants (75%) indicated they used employee surveys to determine the diversity initiative needs. These employee surveys are used to gather quantitative and qualitative data. In these surveys, all employees are asked questions related

to organizational issues such as management, work–life issues, barriers in the workplace, work environment, discrimination, equality, and leadership.

Half of the study participants also reported using cultural audits and benchmarking for determining diversity initiative needs. The cultural audits were conducted to determine the types of barriers within the organization that are preventing employees from performing to their full potential. The cultural audits were conducted with the help and assistance of external consultants to identify the organizations' challenges and weaknesses. Benchmarking was conducted to determine the types of diversity initiatives and programs that had proven to be effective in leading edge companies.

Three of the corporations in the study (38%) used demographic statistics, focus groups, and interviews with managers to determine the diversity initiative needs. Demographic statistics were used to determine whether the organization had enough representation of women, minorities, older workers, people with disabilities, and other diverse groups. Focus groups were used to validate the information that had been compiled from other data collection methods. Interviews with managers were used to determine the business and diversity needs of the corporations.

Employee exit interviews were conducted by two of the corporations (25%) that were in the study. Employee exit interviews were conducted to obtain information about diversity-related reasons for the employee leaving the company and about how well the organization met the needs of the employee. One of the corporations (13%) used former employee surveys, another one (13%) used electronic brainstorming, and still another one (13%) used research conducted on diversity by external researchers. Former employee surveys were sent three to six months after the employee had left the company to determine the barriers they encountered that hindered their work performance while they were working for the company. Electronic brainstorming was used to identify employees' needs. The brainstorming was done via computer, and the information was kept confidential. Research conducted on diversity by external researchers was used to get updated information in the field of diversity and to determine the critical needs related to diversity.

How Diversity Initiatives Are Planned

The study participants were asked to describe how the diversity initiatives were planned. All of the corporations based their planning on the findings and recommendations from the informal and formal needs assessment. Seven of the corporations (88%) had both macro and micro planning, while one had only macro planning.

At the macro level, diversity initiatives were planned at the corporate headquarters. In this case, diversity departments and top executives planned the corporatewide diversity initiatives. At the macro level, goals and objectives are set and priorities are determined corporatewide. At the micro level, business unit managers plan their own diversity initiatives based on the specific needs of their business units.

The companies that use both the macro and micro levels of planning use the corporatewide diversity plan as a guide and framework for planning their business unit's diversity initiative plans. In the cases where corporations had internal diversity consultants, they would help their assigned business units plan their diversity initiatives. In addition, in most cases, the company diversity department staff were available to work with the different business units to help them move forward in their diversity initiative plans. Since all of the corporations in the study were very big, the majority (88%) operated their diversity initiative planning in a decentralized way. However, they used the corporatewide diversity plan as a guide and framework to develop plans for their specific diversity initiatives.

A study participant described the combined macro and micro diversity initiative planning process this way:

> We give an outline of the framework of what is important for addressing diversity in the company to the different business units. Then we give the different business units the responsibility of identifying their own needs and developing their own diversity plans, and then we hold them accountable for their diversity and business success.

Overall, the different business units in these corporations determine what they need to do to address diversity and integrate it into their strategic business plan, which is tied to the corporate strategic business plan.

Implementation of Diversity Initiatives

The fourth research question of this study focused on determining how diversity initiatives were being implemented. First, the study participants were asked to describe how they implemented the diversity initiatives in their corporations. They were also asked to describe the organizational structure they had in place for the implementation of diversity initiatives. In addition, they were asked to identify the components of the model they used for managing diversity.

How Diversity Initiatives Are Implemented

Data provided for this section were analyzed according to who was responsible for the implementation of diversity initiatives. All of the study participants stated that it was the responsibility of the business unit managers to implement the diversity initiatives for their specific units. One of the participants put it this way: "We listed the whole series of diversity practices and objectives, as core and inflexible, that business unit managers are required to implement." How managers specifically implement their diversity initiatives is up to them. They have flexibility in the means and timing to accomplish their diversity goals and objectives.

Business unit managers can conduct the implementation phase by themselves or with the assistance of the following entities: diversity councils or task forces, internal consultants, or diversity departments. Three of the corporations (38%) use diversity councils or task forces to help business units implement diversity initiatives. Diversity councils or task forces assist business unit managers by making recommendations and by showing them the best possible way to implement the diversity initiatives. They could also take complete leadership of the diversity initiatives when business unit managers delegate that responsibility to them. In short, diversity councils or task forces are the entities that support managers in the implementation of diversity initiatives.

To implement diversity initiatives, two of the corporations (25%) use internal consultants who assist the business unit managers. Diversity departments have internal consultants available to support the implementation stage of diversity initiatives. Internal consultants may work with managers on a one-on-one basis or in group meetings with employees and managers. Internal consultants also provide support to diversity councils

and task forces. Internal consultants work with the corporate management team and advise them on how they should implement their diversity initiatives to ensure successful results.

All of the study participants stated that the diversity departments or units have much responsibility for assisting business unit managers in the implementation of diversity initiatives. Diversity departments are responsible for overseeing and monitoring the implementation of the overall diversity initiatives. Diversity departments make themselves available to business unit managers in case their help is required. Some responsibilities the diversity departments have in the implementation of diversity initiatives include giving directions, providing support, advising, and solving problems. Sometimes business unit managers require specific expertise to implement their diversity initiatives. If the diversity departments are unable to provide the expertise required by the business units, then they assist in locating external consultants to help in the implementation process. This is another responsibility that diversity departments have in assisting business unit managers in the implementation of diversity initiatives.

Organizational Structure for Implementing Diversity Initiatives

The organizational structure for implementing diversity initiatives varied among the corporations that participated in the study. However, there were some similarities. Half of the corporations have their diversity departments connected or related to the HR function. These companies have their diversity managers/directors report to the highest-ranked person of the HR department, who in turn reports to the CEO of the corporation. Therefore, the leader in charge of the diversity department in these corporations is only one level away from the most important person in the corporation.

The other half of the corporations participating in the study performed their diversity work independently from the HR function. Who they report to indicates what function they are connected to. Two of the diversity leaders report directly to the corporations' CEOs. One of the diversity leaders reports to the vice-president of corporate relations; the other reports to the vice-president of corporate administration. The main reason that was given by the study participants for their diversity departments not being under the HR function was because diversity in their companies had been recognized as more than an HR issue.

Diversity Models and Their Components

All of the corporations participating in the study had developed their own model for managing diversity. Each organization had its own unique model, but they did have some common components. The component most frequently included in the diversity models of the corporations participating in the study was diversity initiatives. Seven of the companies (88%) had diversity initiatives as the fundamental component of their diversity models.

Six of the companies (75%) having diversity models included understanding and valuing differences, inclusion, optimizing diversity, management accountability, full utilization of people, and commitment to diversity as fundamental components of their diversity models. Other components less frequently mentioned were infrastructure, internal readiness, empowerment, quality management, and employee satisfaction.

Evaluation of Diversity Initiatives

The fifth major research question of the study focused on how diversity initiatives are evaluated in the corporations. To address this area the study participants were asked how diversity initiatives are being evaluated in their organizations. They were also asked how they measured success of diversity initiatives. In addition, they were asked how effective their diversity initiatives have been and what components of diversity initiatives are difficult to evaluate.

Methods for Evaluating Diversity Initiatives

Six of the organizations (75%) evaluate diversity initiatives. A basic theme that emerged from the study participants was that evaluating diversity initiatives effectively was difficult and time-consuming. Despite the difficulty of evaluating diversity initiatives, all of the organizations in the study were attempting to measure their effects on employees and the organization. The study participants together cited twelve methods for evaluating diversity initiatives. The range of evaluations methods cited by participants numbered from 3 to 7. The average number of evaluation methods used was 4.8. Table 24 presents participants in rank order by frequency all the methods for evaluating diversity initiatives that were cited by the study.

Table 24

Methods for Evaluating Diversity Initiatives (n = 8)

Method	f	%
1. Employee surveys	6	75
2. Track employment data	6	75
3. Management annual performance reviews	4	50
4. 360-degree feedback	4	50
5. Focus groups	3	38
6. Benchmarking	3	38
7. Diversity-specific surveys	3	38
8. Customer feedback	3	38
9. Informal employee feedback	2	25
10. Informal employee group feedback	2	25
11. Employee attitude survey	1	13
12. Peer reviews	1	13

Six of the study participants (75%) indicated they used employee surveys, and another six (75%) stated that they tracked employee data to evaluate the effectiveness of diversity initiatives. The employee surveys were used to gather data from employees to determine their perceptions one to two years after the original employee survey was conducted. The data collected from these surveys gave the organization a basis for comparison from the point at which it began the initial diversity initiative effort. The corporations that tracked employee data reviewed the information to determine where improvements had been made in such areas as turnover rates, retention, hiring, and promotion of women and minorities. In addition, data was reviewed to determine whether people from diverse groups were represented at all levels of the organization, especially at the top management ranks.

Half of the corporations in the study used management annual performance reviews and another half used 360-degree feedback as methods for evaluating diversity initiatives. The management annual performance reviews were used to determine whether the manager's business unit was reaching effective and profitable results by fully utilizing a more diverse workforce. The 360-degree feedback process was used to provide feedback

from employees to management regarding management's skills and abilities in addressing diversity issues. This information was then used to better develop managers in dealing with diversity issues.

Three of the study participants (38%) reported using focus groups as a method for evaluating diversity initiatives, another three (38%) used benchmarking, another three (38%) used diversity-specific surveys, and another three (38%) used customer feedback. The focus groups were used to gather information from employees to determine their perception about the progress of diversity initiatives in the organization. Benchmarking was used to assess the company's progress related to diversity in relation to other companies who are exemplary in addressing diversity. Diversity-specific surveys were used to obtain information about the climate of the company from various diverse employee groups. Customer feedback was used to determine whether their diverse customers' needs were being met by the company's products, services, and employees. In addition, informal employee feedback, informal employee group feedback, employee attitude surveys, and peer reviews were methods of evaluation of diversity used by two (25%) or one (12.5%) of the corporations.

How Success Is Measured for Diversity Initiatives

The study participants were asked to specify how success is measured for diversity initiatives in their corporations. The study participants cited fifteen methods for measuring success of diversity initiatives. The range of methods cited by participants numbered from 5 to 12. The average number of methods used was 8.5. Table 25 presents in rank order by frequency all the methods for measuring success of diversity initiatives that were cited by the study participants.

Table 25

Methods for Measuring Success of Diversity Initiatives (n = 8)

Method	f	%
1. Leadership commitment	8	100
2. Representation of diversity at all level of the organization	8	100
3. Measure progress against stated goals and objectives	6	75
4. Diversity initiatives are assisting to meet the company's strategic plans goals	6	75
5. Promotion rates	5	63
6. Hiring rates	5	63
7. Turnover rates	5	63
8. Retention rates	5	63
9. Absenteeism rates	5	63
10. Performance ratings	3	38
11. Attitude and behavioral change	3	38
12. Employee satisfaction	3	38
13. Complains about diversity issues	2	25
14. Work group performance	2	25
15. External recognition and awards	2	25

All of the study participants indicated that they looked at leadership commitment as a way of measuring success of diversity initiatives. According to the study participants, there is an indication of success if leaders in the organizations are committed and supportive of diversity initiatives and are willing to allocate resources to help ensure the success of diversity efforts. All the participants also reported using representation of diverse populations at all levels of the organization as a method for measuring the success of diversity initiatives.

Six of the corporations (75%) studied measured their success by observing goals and objectives attained, and another six (75%) noticed if diversity initiatives were assisting in meeting the goals of the company's strategic plan. If they achieved their goals, then they could conclude that the diversity initiatives were successful.

Five of the study participants (63%) reported using promotion rates, hiring rates, turnover rates, retention, and absenteeism rates as methods for measuring success of diversity initiatives. These measures were set to obtain their objective of creating and maintaining a diverse workforce and also of meeting affirmative action requirements.

Three of the study participants (38%) indicated they use performance rates, attitude and behavioral change, and employee satisfaction as methods for measuring success of diversity initiatives. These measurements were often achieved through performance appraisals, informal employee feedback, and general observations.

Complaints about diversity issues, work group performance, and external recognition and award were used by two of the corporations studied (25%) as methods for measuring success of diversity initiatives. It is interesting to note that, although only two of the study participants (25%) identified external recognition and award for measuring success, the review of the related documents revealed that all of the corporations had received widespread public recognition for their exemplary HR practices related to diversity. For example, half of the corporations in the study were included in the book *The Best 100 Companies for Minorities*, three (38%) were included in the book, *Best Companies for Working Mothers*, two (25%) had received the Catalyst Award for innovative efforts in providing equal opportunity for women and minorities, and another two (25%) had received the Manufacturer of the Year Award for its community citizenship and commitment to women and minority employees.

How Effective Diversity Initiatives Have Been

The study participants were asked to specify how effective the corporation's diversity initiatives had been. Six of the study participants (75%) stated that the diversity initiatives have been very effective and have had a positive impact on employees and the organization. Two of the study participants (25%) indicated that the effectiveness and impact have been average, meaning that diversity initiatives have had a relative success. These two research participants based their opinions on just perceptions because it was too early to judge the effectiveness or impact of the diversity initiatives and there was no hard data available at the time the interviews took place.

The following statements were made by the study participants on the degree of effectiveness or impact of diversity initiatives.

> Some examples of our success are the positive feedback that we get from our employees regarding the benefits of our diversity efforts such as training. Also, the positive feedback we get when we do presentations about how and why we are addressing diversity. From what I sense and hear, diversity is very well-received in this organization. The employees are beginning to feel much better and they sense that managers are now walking the talk.

One of the study participants indicated that their diversity initiatives have been successful because the minority representation has changed throughout the organization and their diversity initiatives are being highly benchmarked. For them, that meant that many other organizations have followed their example regarding diversity initiatives. This study participant stated,

> We know that the number of women has increased tremendously. There was a time when very few women were working in this corporation. We know that there is a major shift in the employee make up. Women are now represented in all key departments, and this is a major shift in terms of how we've grown and changed. Sometimes we get external recognition by impartial organizations for our efforts in providing opportunities for women.

Another study participant said, "We have very good results based on our diversity initiatives and top management is very happy with our work and progress and the impact we are having on the company." Still another study participant stated,

> We have been very effective in that we have raised diversity awareness throughout the entire organization from top to bottom. The organization as a whole understands the value and business impact of diversity. This has resulted in many more business units implementing diversity related initiatives.

The two study participants who indicated that it was too early to judge success and effectiveness of diversity initiatives had this to say: "Effectiveness and impact should be data driven. I can't give you any hard data because I need another year. However, based on perceptions and generally speaking diversity is well-supported." The other study participant stated,

> It is going to take a while before we really know how successful and effective we are going to be, because we are talking about a cultural change

and this is going to take time. We realized that it is going to be at least a three to five year effort. Therefore, it is too early for us to judge our successes and effectiveness.

Components of Diversity Initiatives That Are Difficult To Evaluate

The study participants were asked to identify the components of diversity initiatives that were difficult to evaluate. The study participants cited six components of diversity initiatives that were difficult to evaluate. The range of components cited by participants numbered from 2 to 4. The average number of components cited was 3. Table 26 presents in rank order by frequency all the components of diversity initiatives that are difficult to evaluate that were cited by the study participants. Six of the study participants (75%) indicated that impact of diversity on bottom line (profitability) was difficult to evaluate. Another six (75%) stated that impact of diversity on productivity was difficult to evaluate. According to the study participants, bottom line (profitability) impact and productivity are two of the greatest challenges in evaluating the effectiveness of diversity initiatives. The reasons for these challenges were that bottom line (profitability) and productivity are influenced by so many factors that it was difficult to isolate the specific diversity initiatives that caused the increased productivity or profit levels.

Table 26

Components of Diversity Initiatives That Are Difficult To Evaluate (n = 8)

Method	f	%
1. Impact of diversity on bottom line (profitability)	6	75
2. Impact of diversity on productivity	6	75
3. Return-on-investments	5	63
4. Behavior changes	3	38
5. Employee attitudes	3	38
6. Internal readiness	1	38

Five of the study participants (63%) found it extremely difficult and time consuming to evaluate the return-on-investments of diversity initiatives. These participants indicated that they did not have an effective method for measuring the profitability gain that resulted from the money invested on diversity initiatives.

Behavior changes and employee attitudes were mentioned as difficult to evaluate by three of the study participants (38%). Attitudes and behavioral changes were seen as difficult to evaluate because they may take a long time to occur and many times may go unnoticed. One of the study participants stated that internal readiness to launch diversity initiatives was difficult to evaluate. Internal readiness meant that employees and managers were ready to accept diversity as part of the organizational culture. This was seen as difficult because there was no effective way to determine whether organizational members were ready for this change, which was seen as necessary and critical for effective implementation of diversity initiatives.

Factors Assisting in the Success of Diversity Initiatives

The sixth major research question in the study attempted to identify the factors assisting in the success of diversity initiatives. To analyze the data on the factors assisting in the success of diversity initiatives, the researchers developed three categories based on what the study participants stated. Factors identified were classified under the following three categories: (1) diversity department, (2) human, and (3) work environment. Factors identified in each of the categories were ranked-ordered according to the frequency of mention by the study participants. The categories are described as follows.

Diversity Department Factors Assisting in the Success of Diversity Initiatives

The study participants cited ten factors assisting in the success of diversity initiatives, which the researchers assembled under the category of diversity department. This category has the largest number of factors and also some of the most frequently mentioned. Table 27 presents a list with the specific factors that fall under the diversity department's responsibility for success. The most frequently mentioned factors under this category were having a strategic plan for diversity initiatives, integrating diversity initiatives into the corporate goals and priorities, and implementing several initiatives simultaneously.

Table 27

Diversity Department's Factors Assisting in the Success of Diversity Initiatives (n = 8)

Diversity Department's Factors	f	%
1. Having a strategic plan for diversity initiatives	8	100
2. Integration of diversity initiatives into the corporation's goals and priorities/corporate strategic plan	8	100
3. Implementation of several diversity initiatives simultaneously	7	88
4. Having a close relation with the CEO	5	63
5. Tying diversity initiatives to management accountability	4	50
6. Bringing in external diversity consultants	3	38
7. Having strong communication initiatives	1	13
8. Partnering with other business units	1	13
9. Implementing long-term initiatives	1	13
10. Combining initiatives	1	13

The importance of having a strategic plan for the success of diversity initiatives was recognized by all the study participants. They all agreed that strategic planning is an important factor that leads to the success of diversity initiatives because it provides guidance, makes them reactive, and avoids shortsightedness. Since strategic planning emphasizes long-term initiatives, it avoids the danger of having "one-shot" diversity initiatives that are likely to disappear with time. In other words, strategic planning does not allow diversity initiatives to become a fad. Having a diversity strategic plan was also recognized as a primary responsibility of the diversity department or function.

Another factor considered highly influential in the success of diversity initiatives is the integration of diversity initiatives into the corporation's goals and priorities or the linkage of the diversity initiatives to the corporate strategic plan. All the study participants agreed that diversity initiatives should be integrated in the strategic goals and priorities of corporations. This is also a responsibility of the diversity department or diversity function. If managers and employees in an organization clearly see the relationship between the diversity initiatives and the corporation goals, this can demonstrate that diversity is important and unlikely to fade away. This can also lead people to become supportive and management to become committed to the initiatives.

Seven study participants (88%) agreed that in order for diversity initiatives to be successful, diversity departments have to coordinate several initiatives simultaneously. To implement a single initiative is perceived as negative and not likely to be successful. Study participants stated that "diversity initiatives should not stand alone and should be connected to the diversity business case." Some diversity initiatives are perceived as very important but "not a solution in itself." One of the research participants stated,

> I think that diversity initiatives really do work, but they do not stand alone. If you implement just one initiative, you are not going to get the rest of what needs to happen; meaning, you don't have the good foundation in place.

Half of the participants said that to have successful diversity initiatives, diversity departments should have a close relationship with the CEO. Having a close relationship with the CEO leads to an effective flow of communication and constant feedback. Communication and support from the CEO are also perceived as factors contributing to the success of diversity initiatives. Four of the participants (50%) also said that one factor assisting in the success was to hold managers accountable. By holding managers accountable, the diversity departments ensure that managers develop and implement diversity plans and meet the diversity goals, targets, and objectives. Three (38%) of the participants agreed that bringing in the expertise of external consultants is also a factor leading to success. One participant said, "There is a lot of value of bringing in the richness of someone from the outside, it ensures credibility."

Many other factors less frequently mentioned were also identified under the category of diversity department. Having strong communication initiatives was perceived by one of the corporations as an element that leads to success: "It is a way to get as many people as possible exposed to what is going on." To partner with other departments was also seen as a factor assisting in the success of diversity initiatives by one of the corporations. The study participant representing this corporation said that working with other departments and functions is an excellent way to ensure success of the initiatives because of the feedback and support they get from each other. The implementation of long-term initiatives as opposed to one-shot initiatives was also perceived as a factor contributing to success. At the same time the implementation of a single initiative is seen as negative. Therefore, combining initiatives that complement one another, along with implementing long-term initiatives, was seen as a factor that led to the success of diversity initiatives.

Human Factors Assisting in the Success of Diversity Initiatives

Eight factors assisting in the success of diversity initiatives were identified in the category of human factors. Table 28 presents in rank order by frequency all the human factors that were cited by the study participants. The most frequently mentioned factors under this category were recognition that diversity is a business imperative, acknowledgment of the benefits of diversity, people personally committed, and open-minded people.

Table 28

Human Factors Assisting in the Success of Diversity Initiatives (n = 8)

Human Factors	f	%
1. Recognition that diversity is a business imperative	8	100
2. Acknowledgment of the benefits of diversity	7	88
3. People personally committed	5	63
4. Open-minded people	5	63
5. People willing to participate	4	50
6. Acknowledge that diversity management attracts and retains the best and the brightest	4	50
7. Model behaviors "walking the talk"	2	25
8. Politeness of people	1	13

In order for diversity initiatives to be successful, there must be recognition that diversity is a business imperative. This factor was recognized as a driver of success by all the study participants. Managers and employees alike need to recognize that diversity is a business imperative. One study participant stated, "Diversity initiatives have been successful for us because we have been able to make diversity a business case, a business imperative." Another study participant said, "Recognition by many people in the organization that diversity is a compelling business issue has led us to have successful diversity initiatives." Acknowledging the benefits that diversity brings to corporations, managers, and employees was another factor identified as a driver of success for diversity initiatives.

Another human factor associated with the success of diversity initiatives is to have people personally committed to diversity. This factor is recognized as a promoter of success by five of the study participants (63%). The following was stated by one of the participants regarding this aspect,

> I think what has been very successful is the energy and the commitment you get from people in the organization. We have people that at different levels wanted to be involved because they are really committed and recognize the importance of respect and inclusion. Because they are committed, they can also connect diversity with its impact on teams and also can understand how important it is for an organization to utilize everybody. We have people functioning as champions in the workplace and they are really trying to raise issues around diversity whenever they can and that I think it has been really successful.

Having people with open minds was recognized as a factor assisting in the success of diversity initiatives by five of the study participants (63%). One participant put it this way,

> We have some wonderful unique people in this organization who are open to do new things. That has helped us to be successful. It doesn't have to be a corporate directive where the CEO says to include and fully utilize everybody in the organization. People just do it because that is the best thing to do. I think that has been part of our success.

The study participants identified other human factors assisting in the success of diversity initiatives. Four of them (50%) stated that having people willing to participate was definitely one factor that assisted in the success of diversity initiatives. Fifty percent of the participants also stated that acknowledging that diversity brings and attracts the best minds was another factor that assisted in the success of diversity initiatives. Two participants (25%) recognized that having people, especially management, who could model appropriate behavior was a factor leading to success. Finally, one participant recognized the politeness of people in organizations as a factor that has led their diversity initiatives to be successful.

Work-Environment Factors Assisting in the Success of Diversity Initiatives

Six factors were cited by the study participants under the category of organizational factors. Table 29 presents in rank order by frequency all the work environment factors. The most frequently mentioned factors under this category were having a culture that values

diversity; top management support, endorsement, and commitment; recognizing that diversity is more than an HR issue; and having a top-down diversity initiatives' approach.

Table 29
Work Environment Factors Assisting in the Success of Diversity Initiatives (n = 8)

Work Environment	f	%
1. Having a culture that values diversity	8	100
2. Top management support, endorsement, and commitment	8	100
3. Recognizing that diversity is more than an HR issue	6	75
4. Having top-down diversity initiatives' approach	5	63
5. Having a specific diversity department	4	50
6. Having a culture that supports team work	2	25

All the study participants identified having a culture that values and supports diversity as the most important factor leading to the success of diversity initiatives. One study participant stated,

> Our diversity initiatives have been successful because we have a culture that fully supports diversity. Diversity is part of the culture from the highest to the very bottom levels. The value of diversity is something that is communicated throughout the entire organization just as any other business strategy, such as quality management.

All of the research participants also identified top management support as one of the most important factors driving the success of diversity initiatives. According to the study participants, the most influential factor that has assisted in the success of diversity initiatives is the commitment and support of top management. One study participant indicated,

> They (senior management) firmly support the diversity initiatives. We started off with top leadership and pushed it down. Much effort is going on at the senior level of this company. Success is because we have commitment from the executive group in the organization.

All the study participants also agreed that in order for diversity initiatives to be successful, the top executives and everyone in a corporation should recognize that diversity is a business imperative or a business advantage. Recognizing the advantages that diversity management brings to organizations and individuals can be a strong factor leading to the success of diversity initiatives. One reason is that people's understanding can make the implementation and development processes easy. Another reason is that if people in corporations understand the value of diversity, they can become more receptive and willing to participate.

Half of the study participants stated that having a top-down diversity initiatives approach was one factor that has assisted in the success of their diversity initiatives. A study participant put it this way:

> We believe that the change must come from the top. Most people in the past started from the bottom, hoping it was going to bubble up. We recognized that did not work. So, rather than waste time, we began from the top. With this approach, people see what we are doing and we have been able to drive the changes down. Using the top-down approach, we have made masses of changes far more quickly than the bottom-up approach, even in a corporation of this size, and it is working.

Four of the participants (50%) recognized having a department that specifically deals with diversity as another influential factor in the success of diversity initiatives. Having a department completely devoted to diversity is one of the best ways to get diversity initiatives implemented successfully because it means that a team is committed to the field of diversity and designated people have the necessary knowledge and skills to make diversity initiatives work. Diversity departments also have the infrastructure and the necessary resources to accomplish the diversity goals and objectives. The most important element of having a diversity department is that its main focus of concentration is diversity issues. Finally, having a culture that supports teams was identified by two study participants (25%) as an indirect way to support diversity and make diversity initiatives successful.

In total, the study participants together cited 108 factors assisting in the success of diversity initiatives. Table 30 presents a summary of the number of factors perceived by the study participants as necessary for success. Factors assisting in the success of diversity initiatives were classified into the three different categories: (1) diversity department

factors, (2) human factors, and (3) work environment factors. Diversity department had the largest number of factors assisting in the success of diversity initiatives. The next largest category was human factors, followed by organizational culture, which ranked third.

Table 30
Number of Factors Assisting in the Success of Diversity Initiatives by Category

Factors	f	%
1. Diversity department factors	39	36
2. Human factors	36	33
3. Work environment factors	33	31
Total	108	100

For some study participants, it was difficult to identify major factors assisting in the success of diversity initiatives. For them, various factors complemented each other in supporting successful diversity initiatives. The ideal, for them, would be to have all the factors described above working together to ensure the success of diversity initiatives. The rationale for not mentioning specific factors was that they depended on each other to make diversity initiatives effective. For the study participants who perceived the combination of factors as leading to success, all factors were very important, but success depended on a combined approach. For example, just one factor, such as management commitment, in itself will not lead to success; it has to be complemented by other factors.

Table 31

Factors Assisting in the Success of Diversity Initiatives (n = 8)

Factors	f	%
1. Have a culture that values diversity	8	100
2. Top management support, endorsement, and commitment	8	100
3. Have a strategic plan for diversity initiatives	8	100
4. Recognition that diversity is a business imperative	8	100
5. Integration of diversity initiatives into the corporation's goals and priorities/corporate strategic plan	8	100
6. Implementation of several diversity initiatives simultaneously	7	88
7. Acknowledgment of the benefits of diversity management	7	88
8. Recognizing that diversity is more than an HR issue	6	75
9. People personally committed	5	63
10. Open-minded people	5	63
11. Have top-down diversity initiatives' approach	5	63
12. Have a closed relation with the CEO	5	63
13. People willing to participate	4	50
14. Have a specific diversity department	4	50
15. Tie diversity initiatives to management accountability	4	50
16. Acknowledge that diversity management attracts and retains the best and the brightest	4	50
17. Bring in external diversity consultants	3	38
18. Have a culture that supports team work	2	25
19. Model behaviors: "Walking the talking"	2	25
20. Have strong communication initiatives	1	13
21. Partner with other business units	1	13
22. Politeness of people	1	13
23. Implement long-term initiatives	1	13
24. Combine initiatives	1	13

In total, the study participants reported on 24 different factors that have assisted in the success of their diversity initiatives. Table 31 lists the total number of factors cited by the study participants and combines Tables 27, 28, and 29. The five factors most frequently identified were (1) having a culture that values diversity; top management

endorsement, and commitment; having a strategic plan for diversity initiatives; recognition that diversity is a business imperative; and integration of diversity initiatives into the corporation's goals and priorities/corporate strategic plan. These factors were discussed in previous sections.

Barriers to Diversity Initiatives

The seventh major research question in the study addressed the barriers that have hindered the diversity initiatives in the corporations. The study participants were asked to identify the barriers that have hindered the diversity initiatives in their corporations. They were then asked to provide information on what they have done to prevent failure or eliminate barriers to diversity initiatives.

To analyze the data, the researchers developed three categories based on the barriers cited by the study participants. Barriers identified were classified under the following categories:

1. Barriers of the Work Environment
2. Barriers of People in Corporations
3. Barriers of Diversity Initiatives

Barriers identified in each of the categories were ranked-ordered according to the frequency of mention in the interviews. The categories are described below.

Barriers of the Work Environment

In total, the study participants cited four major barriers that the researchers categorized under the category of barriers coming from within the corporations' work environments. Table 32 lists all the barriers coming from within corporations that were cited by the study participants. The most frequently mentioned barriers under this category were competing agendas and size and complexity of the corporation.

Table 32

Barriers of the Work Environment (n = 8)

Barriers	f	%
1. Competing agendas	6	75
2. Size and complexity of the corporation	6	75
3. Economic changes	4	50
4. Other policies interfering with diversity initiatives	2	25

Having competing agendas is a corporate barrier that was identified by six of the study participants (75%). These corporations are engaged in many additional projects other than diversity, and all of them are perceived as important by the leaders of their corporations. Most of them are engaged in total quality management, process improvement, strategic planning, team development, and many other types of organizational development interventions. They all require time and resources. Therefore, financial support, human resources, and time have become very scarce for managers and employees. One of the study participants stated that "There is a constant struggling to get the most urgent done. People set their priorities and diversity issues are left behind because they are easier to put off."

Six of the study participants (75%) identified the size and complexity of the corporations as a big barrier hindering the development of diversity initiatives. All the corporations studied are very large with a number of divisions and branches inside and outside the United States. The complexity of their operations and their sizes make it difficult to effectively coordinate the overall process of diversity initiatives. Corporations' large number of units, branches, subcultures, and locations are barriers that do not allow diversity initiatives to be implemented easily. The importance each corporate unit gives to diversity also varies. This also leads some units or branches to adapt changes at differing speeds. Size of the organizations was also seen as a barrier because it interferes with conveying the diversity message to many people in a limited amount of time. In addition, corporate size makes it difficult to come to decisions and agreements in a reasonable time frame.

Half of the study participants identified changes in the economy of the corporations as an important barrier hindering the progress of diversity initiatives. These economic changes have forced corporations to decrease financial resources and to reduce the number of people working in corporations, causing excessive overload work schedules. Because of economic changes, corporations have less resources in general. Economic changes have led corporations to reduce, downsize, and flatten. This means that corporations have to function with fewer people, which, in turn, brings more pressure and overload work schedules for everyone in the organizations. Unfortunately, this leads to lack of time to devote to diversity initiatives. Therefore, they get easily postponed. Economic pressure has also affected the financial resources allocated to diversity initiatives. One study participant had this to say,

> We have to run our organization with smaller budgets. Therefore, when I request an increase in my budget, corporate leaders are going to resist, not because they don't support diversity, but because they have so many other things to do and less money.

Two of the study participants (25%) identified other policies interfering with diversity initiatives as corporate barriers that hinder the development of diversity initiatives. These two corporations had experienced parallel policies that do not allow the proper implementation of diversity initiatives.

Barriers of People in Corporations

In total, the study participants cited seven barriers that the researchers categorized under the category of barriers of people in corporations. Table 33 lists all the barriers coming from the corporations that were cited by the study participants. The most frequently mentioned barriers under this category were people not understanding the value of diversity and people not fully supporting diversity.

Table 33

Barriers of People in Corporations (n = 8)

Barriers	f	%
1. People not understanding the value of diversity	7	88
2. People not fully supporting diversity	3	38
3. Slow involvement	2	25
4. Diversity management perceived as overwhelming	1	12
5. Backlash	1	13
6. Resistance to change	1	13
7. Unwillingness to participate	1	13

The most frequently mentioned barrier was people not understanding the value of diversity. Seven of the study participants (88%) cited this as a major barrier. The following notions are evidence of this barrier: people not understanding why diversity is important, people not seeing its value, lack of awareness of the value of diversity, people not knowing what to expect, people not understanding what impact diversity has on them personally, people with myopic thinking, lack of visionary people, and people not seeing the true value of diversity.

Not having full support for diversity initiatives was mentioned as another barrier by three of the study participants (38%). Not understanding the value of diversity and what it means for corporations and individuals can lead to this lack of support. However, some people may understand what diversity is and its value and still not support it. The most serious barrier in this context is when leaders in companies do not fully support diversity. One of the study participants put it this way: "I don't have, nor do I expect, complete buy in. We actually do not have total support from everybody in the corporation. However, the person who was the most important for the diversity strategy to work was the CEO."

Another barrier that was identified under this category of barriers was slow involvement. Two of the study participants (25%) identified slow involvement as a barrier. One of the participants described this barrier in the following way:

> Some groups of people are much slower in reacting to change than others. That is a barrier that we encounter within the organization. If you have six business units, and two of them are slower than the others in implementing

> the diversity initiatives, people do observe and that is a double edged sword. It is especially negative when the slower ones represent business units with significant size.

Leaders being slow in implementing their diversity initiatives can create other obstacles, such as people within the business units complaining, missing work, becoming dissatisfied, and quitting and leaving the company.

Diversity management perceived as overwhelming, backlash, resistance to change, and unwillingness to participate or lack of cooperation were also perceived as barriers that interfere with the development of diversity initiatives by 13% of the study participants.

Barriers of Diversity Initiatives

The study participants cited two barriers that the researchers categorized under barriers of diversity initiatives. Table 34 shows the two barriers that were cited by the study participants. The barriers mentioned under this category were (1) difficult to evaluate and (2) difficult to show return-on-investment.

Table 34

Barriers of Diversity Initiatives (n = 8)

Barriers	f	%
1. Difficult to evaluate	2	25
2. Difficult to show return-on-investment	2	25

Two of the study participants (25%) identified the difficulty to evaluate diversity initiatives as a barrier. According to the study participants, diversity initiatives are difficult to evaluate because many of them are long-term and cannot demonstrate their impact and effectiveness as easily as other types of business initiatives. Two of the study participants (25%) identified the difficulty of diversity initiatives to show return-on-investments as a barrier. According to the study participants, diversity initiatives may take a long time to show their impact; therefore, it is difficult to measure the financial gain that may have resulted from the money invested on them.

In total, the study participants cited 38 barriers hindering the success of diversity initiatives. Table 35 presents a summary of the number of barriers experienced by the corporations participating in the study. Barriers interfering with the development of diversity initiatives were classified into three different groups: (1) barriers of the work environment, (2) barriers of people in the corporations, and (3) barriers of diversity initiatives. Barriers coming from the work environment had the largest number of barriers hindering diversity initiatives. The next largest category was barriers of people in the corporations, followed by barriers of diversity initiatives, which was ranked third. Barriers of diversity initiatives were mentioned much less than barriers of the work environment and people.

Table 35
Total Number of Barriers by Category

Barriers	f	%
1. Barriers of the Work Environment	18	47
2. Barriers of People in Corporations	16	42
3. Barriers of Initiatives Themselves	4	11
Total	38	100

In total, the study participants reported on 13 different barriers that have hindered their diversity initiatives. Table 36 lists the total number of barriers cited by the study participants. This table combines Tables 32, 33, and 34. The four barriers most frequently identified were (1) people not understanding the value of diversity, (2) competing agendas, (3) the size and complexity of the corporations, and (4) economic changes. These barriers were discussed in previous sections.

Table 36

Barriers Hindering the Success of Diversity Initiatives (n = 8)

Barriers	f	%
1. People not understanding the value of diversity	7	88
2. Competing agendas	6	75
3. Size and complexity of the corporation	6	75
4. Economic changes	4	50
5. People not totally supporting diversity	3	38
6. Difficult to show return-on-investment	2	25
7. Slow involvement	2	25
8. Other policies interfering with diversity initiatives	2	25
9. Difficult to evaluate	2	25
10. Diversity management perceived as overwhelming	1	13
11. Backlash	1	13
12. Resistance to change	1	13
13. Unwillingness to participate	1	13

Preventing Failure

After having identified the barriers that have hindered the progress of diversity initiatives, the study participants were asked to explain what they have done to prevent failure against these barriers. In total, the study participants together reported 11 different ways to prevent failure. Table 37 lists the total number and different ways in which companies have attempted to prevent failure of diversity initiatives.

Six of the study participants (75%) indicated that top management commitment was a way to avoid failure of diversity initiatives. Having top management support was seen as a way to prevent many of the corporate and people barriers that were discussed in the previous section (e.g., policies interfering with diversity initiatives, people not fully supporting diversity, and resistance to change). For example, a study participant stated, "Having executive leadership support makes a big difference. Having their participation and visual commitment helps avoid failures such as implementation of policies that can hinder the development of diversity initiatives."

Table 37

Ways To Prevent Failure of Diversity Initiatives (n = 8)

Preventing Failure	f	%
1. Top management commitment	6	75
2. Treating diversity as a business issue	5	63
3. Diversity initiative planning	4	50
4. Providing diversity training and education	3	38
5. Communicating the value of diversity	3	38
6. Approach diversity as branches, units or corporations are being created	2	25
7. Avoiding parallel policies which harm diversity initiatives	1	13
8. Followed advice from the literature	1	13
9. Having steering committees	1	13
10. Never impose the initiatives	1	13
11. Partner with other business units	1	13

Five of the study participants (63%) reported that, to prevent failure, diversity initiatives had to be considered a serious business issue. This meant that diversity initiatives had to be connected to the corporate business strategy. When diversity initiatives were treated as business strategies, corporate barriers such as competing agendas and economic changes were more likely to be eliminated.

Half of the study participants identified planning as an effective way to prevent failure. According to the study participants, it took much time and effort to develop effective diversity plans that were flexible, easy to understand, and linked to corporate strategic plans. Three of the study participants (38%) indicated that diversity training and education played an important role in avoiding potential failure of other diversity initiatives. Training and education was considered an effective tool to assist in removing barriers such as people not understanding the value of diversity, slow involvement, resistance to change, and unwillingness to participate. Diversity training was a way to communicate the importance of diversity and its impact on the organization. Communicating the value of diversity was reported by three of the study participants (38%), as a way of preventing failure of diversity initiatives.

Two of the study participants (25%) stated that an effective way to prevent failure and ensure success is by introducing diversity management as units, branches, or corporations are being created, formed, or transformed. One of the study participants put it this way:

> The good news is that we are creating a new company. What we are doing at this point is addressing diversity as we are creating this new company, as opposed to going back and trying to change an organizational culture that has already been established. It is the most opportune time to be involved in diversity. Diversity is part of the three new policies and foundations that we are going to operate under. When diversity is integrated into the culture of an organization from the very beginning, people look at it through different eyes, which is really great.

Factors to prevent failure that were identified only once included avoiding parallel policies that block the development of diversity initiatives, following advice from diversity literature, having steering committees, never imposing, and partnering with other business units. One of the study participants recommended banning all those policies that interfere with the proper development of diversity initiatives. Another participant stated that he followed recommendations and advice identified in the diversity literature to prevent failure. He said, "There are some research studies dealing specifically with the criteria for successful diversity initiatives, and we are adopting those; so we have a good understanding of what it is going to take for us to be successful." Having clear guidelines and encouraging instead of imposing on people to participate tended to have better results and was another way that was mentioned in preventing failure. Another interesting strategy for preventing failure that was mentioned was creating partnerships with other business units within the corporation. A reason for having the diversity department work with other business units was that other units can assist in enhancing the diversity perspective throughout the organization.

Future of Diversity Initiatives in Corporations

The eighth major research question dealt with the future plans for diversity initiatives in corporations. The study participants were requested to describe their future plans for addressing diversity. The researchers developed the following two categories based on the responses from the study participants: (1) future plans for domestic diversity

initiatives and (2) future plans for international diversity initiatives. The categories are described below.

Future Plans for Domestic Diversity Initiatives

The study participants reported on several future plans for diversity initiatives. Five future plans for the implementation of diversity initiatives were classified under the category of domestic initiatives. This category has the largest number of future plans and also some of the most frequently mentioned by the study participants. Table 38 provides a list of the future plans for domestic diversity initiatives. The most frequently mentioned future plans under this category were the continuation of the current domestic diversity initiatives, more effective evaluation of their diversity initiatives, and further recognition for their work on diversity.

Table 38

Future Plans for Domestic Diversity Initiatives (n = 8)

Future Plans	f	%
1. Continue addressing current domestic diversity	8	100
2. Plan to evaluate their diversity initiatives more effectively	6	75
3. Plan to get further recognition for their work on diversity	5	63
4. Develop a new diversity plan for the year 2010	1	13
5. Plan to change policies interfering with diversity	1	13

All of the corporations in the study have plans to continue addressing the same diversity initiatives they currently have in place. This means that they are continuing to work with their initiatives in the areas of leadership and management, education and training, community relations, communication, performance and accountability, work–life balance, and career development and planning. One of the research participants supported this when referring to the upward mobility of women and people of color. He said, "We will continue to increase the number of women and people of color at the vice-president ranks, and we will also continue to increase the numbers at other levels of management." Another participant said,

> We will continue to do what we are already doing because we have not fully reached all our goals yet. We would like to obtain a hundred percent achievement for the goals we have already stated. We are not there yet.

The following are some examples given by the participants regarding the domestic initiatives that will continue in the future: aggressive diversity vendor programs are something that we continue in the future; the diversity market focus is something that we are going to continue because we need to better connect with our diverse customers; work–life balance programs are definitely a long-term issue for us, and we will continue them in the future; and we will continue to pursue our diversity initiatives until we get total inclusiveness.

For six of the study participants (75%), more effective evaluation of diversity initiatives was one of their major concerns for the future. The corporations participating in the study were planning more long-term, systematic, fully integrated, and ongoing methods for evaluating diversity initiatives in the future.

Five of the study participants (63%) are planning to obtain further recognition in the future for their work on diversity. The following are notions participants used to illustrate this future plan: we would like to become recognized as the best company in managing diversity; we would like to become the employer of choice; and we would like to be recognized for our progress in effectively addressing diversity. According to the participants, becoming externally recognized for their work in diversity brings many advantages to corporations. One of the study participants put it this way:

> If we are perceived as a company with best practices in diversity, we are going to be able to attract and retain outstanding people from diverse backgrounds that we need to be successful. This is the only way we are going to be able to meet our company's future goals.

Developing a new diversity plan for the year 2010 and planning to change policies that interfere with diversity were identified only once each as future plans. One company is looking at future trends and challenges related to diversity and is developing a strategic diversity plan for the year 2010. Another company is planning to change all the corporate policies that interfere with the planning, development, and implementation of diversity initiatives. People in the diversity department are working so that there will not be any policies that may interfere with the achievement of the company's diversity goals.

Future Plans for International Diversity Initiatives

The study participants reported four future plans for international diversity initiatives. Table 39 presents all the future plans for international diversity initiatives that were cited by the study participants. The most frequently mentioned future plans in this category were continue the current international diversity initiatives and expand diversity initiatives to other countries.

Table 39

Future Plans for International Diversity Initiatives (n = 8)

Future Plans	f	%
1. Continue their current international diversity initiatives	4	50
2. Expand their diversity initiatives to other countries	3	38
3. Start implementing international diversity initiatives	2	25
4. Develop a well-structured diversity plan for international initiatives	2	25

Half of the corporations in the study have plans to continue developing their current international diversity initiatives more aggressively in the future. The international diversity initiatives these four corporations are interested in continuing more aggressively are marketing plans for international diverse customers; worldwide diversity conferences; education and training programs; international recruiting programs; increased numbers of women in international leadership positions; international consultants; international community involvement; employee temporary exchange program; international career planning; and multicultural work teams.

Three of the corporations (38%) have future plans to expand their diversity initiatives to other countries. One study participant said, "We are going to include six more countries in our diversity perspectives." Another participant stated,

> We will continue trying to achieve the objective of global diversity to ensure that we can get the best people to do our work wherever we are in the world. For example, we plan to develop partnership with the best universities throughout the world.

Two of the corporations (25%) are planning to start implementing international diversity initiatives. These corporations have not yet been able to implement diversity initiatives in other places besides the United States. One of the companies is working with a consultant specializing in international diversity initiatives to develop an international diversity plan. Another company is planning to conduct a needs assessment to develop a plan for international diversity initiatives. One of the study participants stated that they were going to "conduct an organizational assessment survey in Asia, Africa, and Latin America to determine their diversity needs."

In total, the study participants reported nine different future plans for their diversity initiatives. Table 40 lists the total number of future plans that were cited by the study participants. Some of the future plans most frequently mentioned were continue addressing current domestic diversity; plan to more effectively evaluate diversity initiatives; plan to get further recognition for work on diversity; and continue current international diversity initiatives. These future plans were already discussed in the previous sections.

Table 40

Future Plans for Diversity Initiatives (n = 8)

Future Plans	f	%
1. Continue addressing current domestic diversity	8	100
2. Plan to evaluate diversity initiatives more effectively	6	75
3. Plan to get further recognition for work on diversity	5	63
4. Continue current international diversity initiatives	4	40
5. Expand their diversity initiatives to other countries	3	38
6. Start implementing international diversity initiatives	2	25
7. Develop a well-structured diversity plan for international initiatives	2	25
8. Develop a new diversity plan for the year 2010	1	13
9. Plan to change policies interfering with diversity	1	13

Summary

This section of the report presented background information on the eight multinational corporations that participated in this study as well as a document analysis of their annual reports. It also provided information on the general characteristics of the diversity managers/directors who provided the information. More importantly, this section of the report detailed the findings of the current status of diversity initiatives in multinational corporations that are committed to addressing diversity in the workplace that are headquartered in the state of Illinois. It provided descriptions of their domestic and international diversity initiatives as well as the context in which diversity initiatives take place. It also presented a detailed description of the whole process of diversity initiatives—that is, planning, implementation, and evaluation. Moreover, it revealed findings on the barriers hindering diversity initiatives and the factors assisting in the success of diversity initiatives. Finally, it disclosed the future plans these corporations have related to diversity.

The analysis of the annual reports and related documents was utilized to confirm and verify the information provided by the diversity managers/directors. Overall, there were no major discrepancies between the document analysis information and the information provided by the study participants.

CONCLUSIONS

Based on the findings of this study, the following conclusions are presented. The conclusions are presented according to the major research questions of the study.

Research Question One: What Is the Context of Diversity Initiatives in Corporations?

- Corporations in this study define *diversity* very broadly so that it can include everyone. The advantage of the broad definition is that it acknowledges the differences all people bring into organizations as assets.

- The six factors influencing diversity initiatives in the multinational corporations in this study are (1) demographic changes, (2) diverse marketplace, (3) the need to improve productivity and remain competitive, (4) globalization, (5) top management

focused on diversity as a business strategy, (6) legal concerns, and (7) diverse work teams.

- Corporate cultures that effectively address diversity have the following characteristics: value diversity, accept and recognize diversity as a key business issue, and promote inclusiveness. The planning, implementation, and development of domestic and international diversity initiatives is facilitated by cultures with these characteristics.

- There are proactive and reactive catalysts for diversity initiatives in the multinational corporations participating in the study. Two examples of proactive catalysts are (1) the realization of diversity as a business imperative and (2) the need to have a global perspective. Examples of reactive catalysts are the need to satisfy employees' needs and financial crisis.

- The evolutionary pattern of diversity initiatives that these corporations have gone through shows that diversity initiatives are becoming more sophisticated and more complex throughout the years.

Research Question Two: What Are the Initiatives for Managing Diversity in Corporations?

- This study revealed that multinational corporations participating in the study are planning, developing, and implementing an impressive number and a variety of diversity initiatives, not only in the United States but also internationally. The large number and the variety of diversity initiatives also show that diversity is a major concern for the corporate leaders.

- Companies are addressing diversity initiatives in ten areas. However, the two areas addressed the most are race and gender.

- Diversity training and education is considered the most effective diversity initiative by the multinational corporations in this study.

- International and domestic initiatives share commonalties. They are both guided by the same principles of full inclusion and utilization of people, regardless of their differences.

- The fact that half of the multinational corporations participating in the study are already engaged in international diversity initiatives and that others are planning to launch some of these type of initiatives shows that the area of international diversity initiatives is a growing concern for these corporations.

Research Question Three: How Are the Diversity Initiatives Planned in Corporations?

- There are two ways to conduct needs assessment: (1) formally and (2) informally. A large number of formal methods help organizations identify their needs. Employee survey is the most common formal method to determine the needs of organizations. Cultural audits, demographic statistics, and focus groups are also ranked among the most common.

- The multinational corporations participating in the study have two types of plans for diversity initiatives: (1) macro and (2) micro. At the macro level, corporatewide initiatives are planned, whereas at the micro level, business unit managers plan their unit-based diversity initiatives.

Research Question Four: How Are Diversity Initiatives Implemented in Corporations?

- It is the responsibility of the business unit managers to implement diversity initiatives. To accomplish this responsibility, corporations have a whole support system that assists them in the process.

- Diversity leaders in this study report to high-ranking leaders of the HR function, CEOs, and vice presidents of corporations. Diversity initiatives are considered a priority for leaders of these companies.

Research Question Five: How Are Diversity Initiatives Evaluated in Corporations?

- The multinational corporations in this study have in place a variety of methods to evaluate their diversity initiatives. The most common methods are employee surveys and employee data. Other common methods are management performance reviews, 360-degree feedback, and focus groups.

- Companies in this study have many methods to measure successes. The most common methods are leadership commitment and representation of diversity at all levels in the organization.

- The majority of the companies participating in this study considered their diversity initiatives very effective and as having a positive impact on employees and organizations.

- The most difficult components to evaluate are the impact of diversity on the bottom line, impact on productivity, and return-on-investment.

Research Question Six: What Factors Have Assisted in the Success of Diversity Initiatives in Corporations?

- Factors assisting in the success of diversity initiatives come from different sources: diversity departments, people, and the work environment. All factors are considered important for the success of diversity initiatives. Having a diversity department is one of the factors that contributes the most to the success of diversity initiatives.

Research Question Seven: What Barriers Have Hindered the Implementation of Diversity Initiatives in Corporations?

- For the corporations participating in the study, diversity initiatives are not free from barriers that hinder their progress. Barriers come from different sources, come in different forms, and may appear at any time during the developmental process of diversity initiative—planning, implementation, and evaluation.

- The large number of ways to prevent failure shows that diversity leaders are also finding different ways to stop barriers that hinder the success of diversity initiatives.

Research Question Eight: What Diversity Initiatives Are Planned or Projected for the Future by Corporations?

- In the future, the companies in this study are planning to continue to implement their current domestic and international diversity initiatives.

- The most common future plans related to domestic diversity include continue to implement current diversity initiatives, but with more vigor; evaluate diversity initiatives more effectively; and get further recognition for diversity work.
- The most common future plans related to international diversity initiatives include continue with current international diversity initiatives, but with more vigor; expand diversity initiatives to other countries; and develop a well-structured diversity plan and start implementation.

DISCUSSIONS AND IMPLICATIONS

This study revealed that multinational corporations that are committed to addressing diversity in the workplace are planning, developing, and implementing an impressive number and variety of domestic diversity initiatives. Some other studies have found similar results concerning domestic diversity initiatives (Johnson, 1994; Morrison, 1992; Wheeler, 1995; Winterle, 1992). All these studies have found diversity initiatives dealing with compliance of Affirmative Action and Equal Employment opportunity as the most common ones. The results of this study confirm the continuation of this tradition. However, the variety of diversity initiatives described by the diversity managers/directors provides clear evidence that the multinational corporations participating in this study are doing much more than required by law. Similar to this study, Wheeler (1995) found that companies are implementing diversity initiatives because they are perceived as an advantage that enhances an organization's ability to compete. They increase their productivity, and they help them respond to diverse markets in better ways. These were the major reasons for companies having diversity initiatives, and these initiatives were not related to compliance.

This study also revealed that the multinational corporations participating in this study are planning, developing, and implementing an impressive number and variety of diversity initiatives, not only in the United States but also internationally. A 1995 study by Wheeler found similar results regarding the international dimension of diversity initiatives. Some of the international diversity initiatives identified by Wheeler's study were worldwide business teams, cross-national task teams, and worldwide conferences; whereas, this study found marketing plans for international customers, worldwide conferences, and diversity education and training as the most frequently mentioned international diversity initiatives.

Even though an inevitable consequence of having operations in other countries is greater workforce diversity (Florkowski, 1997), many business leaders until recently did not perceive this consequence in the same manner. International diversity initiatives have not been a major concern for global corporations. A 1994 survey entitled "Champions of Change," in which 1,500 managers participated, showed that managing a culturally diverse workforce and understanding the external global environment were not ranked as the most important concerns by any of the companies (Neff, 1995). To be able to implement international diversity initiatives, leaders must have a global mindset. According to Neff (1995), having a global mindset means that business leaders find creativity in diversity; value diversity that is accomplished though their personal, professional, and organizational objectives; and promote a culture that supports inclusiveness. Because of the type of international diversity initiatives found in this study, it can be said that the global mindset described by Neff is probably one of the characteristics of the leaders of these multinational corporations.

The data from this study revealed that there is a relationship between domestic and international diversity initiatives. Inclusion and full utilization of people regardless of their background, appreciation of cultural differences, and adaptation of products and services to diverse customers were some of the values or principles identified as commonalties between domestic and international diversity initiatives. Probably one of the fundamental findings of this study is the relationship between domestic and international diversity initiatives. Since the management of international diversity initiatives is a new approach, none of the previous studies have specifically focused on the relationships between them. For the participants of this study, the values that both types of initiatives have make sense, not only within the United States but also in other countries. Essentially, organizations see these values as ways to maximize their competitiveness. According to Florkowski (1997), global diversity management, for all of its uncertainties, holds the key competitive advantage for companies that seek to enter and succeed in international markets.

Training and education seems to be essential for multinational corporations. Training and education ranked as the second most commonly used strategy in the category of domestic initiatives. Among 44 specific domestic diversity initiatives, awareness training ranked number ten, and diversity skill training for managers and directors ranked number eleven. Interestingly, it showed similar positions in the category of international diversity initiatives. Diversity education and training ranked number three in frequency of

mentioned. Other studies have also found that training is the most widely used initiative in diversity management (Johnson, 1994; Tomervik, 1995; Wheeler, 1994). Furthermore, the participants in this study considered diversity training and education initiatives among the most effective type of diversity initiative. This study revealed that diversity training and education is an indispensable part of the overall corporate diversity strategy.

The study participants defined diversity very broadly to include all types of differences. The great variety of diversity initiatives supports the broad definition of diversity these companies have. According to Johnson (1995), a broad definition of diversity goes beyond protected classes because all employees bring their differences, including a variety of group-identity differences, to the workplace. A broad definition moves workplace diversity beyond an "us versus them" struggle to focus on utilizing and maximizing diversity to accomplish both individual and organizational goals. It provides an overreaching goal for a unifying focus. Carnevale and Stone (1995) also confirmed that organizations' diversity efforts are more effective when they are inclusive.

The study identified the major factors influencing diversity. The major changes identified were demographic changes, diverse marketplace, and the need to improve productivity and remain competitive. Wentling and Palma-Rivas (1997) found similar factors in a study that interviewed diversity experts. What they found was that the principle areas influencing diversity in the workplace are demographic changes, global marketplace, economics, people more comfortable being different, diverse customer base, and AA/EEO. As a result of these factors, many corporations have started implementing diversity initiatives, engaging in cultural transformation, and beginning to apply more emphasis to valuing and managing diversity, mainly because they are better understanding the significant role that diversity will play in their future competitive and organizational success (Finney, 1989; Griggs, 1995; Wheeler, 1995).

The majority of the companies who participated in this study started their diversity initiatives in a proactive way. Their main catalyst for having diversity initiatives was the realization of diversity as a business imperative. Proactive companies identify all those factors that can help them anticipate future needs and plan and implement initiatives to satisfy those needs in advance. It also requires having a culture that supports change and has the necessary flexibility to introduce innovative programs; most importantly, proactive organizations not only believe in the new initiatives but also can anticipate the value of

having them. In this study, these proactive organizations anticipated that diversity initiatives can transform them into more competitive organizations.

This study found that more than half of the corporations studied had the CEO as a key individual pioneering the diversity initiatives. Having CEOs involved in diversity initiatives is perceived by many authors as advantageous for the development of diversity initiatives (Arredondo, 1996; Baytos, 1995; Morrison, 1992). It is possible, then, to infer that diversity initiatives have been successful in the corporations participating in this study because most of them started their initiatives from the very beginning with the support and commitment from top management.

This study found that there are two ways to assess the needs of organizations: (1) formally and (2) informally. The study revealed that the most common formal ways to determine diversity needs were through employee survey, cultural audits, demographic statistics, and focus groups. These results confirm the results reported by the Wheeler (1996). He examined the corporate practice in diversity measurement; and what he found was that cultural audits, surveys, and focus groups are the most common ways to assess environmental issues. Ideally, companies should conduct a needs assessment by using several methods. This process helps them identify the particular diversity needs within the context of their organizational goals. The process of needs assessment cannot be set aside because diversity needs vary from company to company and from region to region. According to Simons (1992), every organization has it own culture, shaped by people and the surrounding environment. Therefore, a critical challenge for diversity leaders is to fully understand diversity needs because they are the basis for developing diversity plans.

Once the information is gathered and processed, diversity initiatives are planned. This study revealed that diversity initiatives are planned at two levels; macro (headquarters) and micro (business units). At the macro level, corporatewide diversity initiatives are planned between diversity departments and top corporate executives. The macro plan is delivered to the business unit managers who transform it into a micro plan and then implement or execute it. Having this structure for developing plans is very positive for managers as well as for organizations. By giving managers the responsibility of developing micro plans, business unit managers have enough flexibility to adapt the macro plan to the needs and culture of their units. At the same time, by having a macro plan that guides business unit managers, diversity leaders ensure they are tied to the goals and objectives of

the organization. These two types of plans show the overall importance the planning stage has for these corporations. The importance of planning is essential for having successful diversity initiatives has been reported by many authors (Arredondo, 1996; Poole, 1997; Wheeler, 1996). Arredondo (1996) also stated that not having a plan may be perceived as giving less value to the diversity initiatives. Finally, this shows that the corporations in this study take diversity initiatives very seriously because the majority had developed well-thought out diversity strategic plans.

This study found that all corporations were attempting to evaluate the effects of their diversity initiatives on employees and organizations. The study also revealed that, in an attempt to evaluate their diversity initiatives, each company uses a variety of methods. This finding does not support the findings reported by Morrison (1992). She found that very little is being done in evaluating particular diversity practices. What this study revealed is that evaluation of particular diversity initiatives seems to be rather new among the corporations that participated in the study. This study also found that effectiveness of evaluations is a major concern. The corporations in this study seem to recognize that diversity initiatives need to be evaluated. Because of the emphasis on evaluation and well-elaborated tools some corporations have to evaluate diversity initiatives, it is possible to conclude that evaluation is becoming a more important part of the process of diversity initiatives. Other authors have also emphasized the importance of conducting evaluations for diversity initiatives (Jackson and Associates, 1992; Morrison. 1992; Rynes and Rosen; 1995). Evaluation is an ongoing process and is critical to the success of any diversity initiative.

This study also examined how corporations measure the success of their diversity initiatives. Leadership commitment and representation of diversity at all levels of the organizations were the most common ways for measuring success. These findings are consistent with results obtained in this area by Wheeler (1996). He examined the corporate practices in diversity measurement, and what he found was that leadership commitment is a critical measurement component to ensuring that the organizational culture supports diversity initiatives.

This study identified impact on bottom line, impact on productivity, and return-on-investment as the components most difficult to evaluate for diversity initiatives. Similar areas difficult to evaluate were reported by a study conducted by Wheeler (1996).

Wheeler's study revealed that productivity, growth, and profitability of diversity strategies remain the most challenging and difficult areas to measure. There seem to be at least two reasons people in corporations have identified bottom line, productivity, and return-on-investments as difficult to evaluate. These areas are usually affected by many variables, and it is difficult to isolate cause-effect relationships (Wheeler, 1994). Interestingly, even when there might be an increase in profitability and productivity as a result of diversity initiatives, it is difficult to prove that diversity is the reason for such improvement (Morrison, 1992). Another reason might be that people do not have the necessary knowledge, skills, and experience to determine the overall impact of diversity initiatives. Despite the difficulty in determining the impact of diversity initiatives, the participants in this study were making efforts to come up with measurements that can lead them to confirm the value that diversity initiatives have to the organization's profitability.

Although the results of this study and the literature in diversity (Fernandez, 1993; Harris 1994; Hayles, 1996; Morrison, 1992; Simons, 1992) indicate that there are enormous benefits to effectively managing diversity in organizations, there are still many barriers that first must be resolved before the advantages can be reached. The findings of this study indicate that, unfortunately, diversity initiatives are not free from barriers that hinder their progress. Barriers come in different forms, and they may appear at any time during the developmental process of diversity initiative—planning, implementation, or evaluation. This study specifically found sources of barriers. Barriers to diversity initiatives come from the work environment, people, and even from the diversity initiatives themselves. Diversity leaders and anyone who supports diversity initiatives in corporations should be aware of the specific barriers to diversity initiatives and their sources so that they can be prevented from blocking the successful development of diversity initiatives. Although the specific barriers to diversity initiatives vary from organization to organization, their effect is the same in the sense that they are detrimental to the progress of diversity initiatives.

The findings of this study indicate that future plans for diversity initiatives are some of the biggest concerns to be addressed for diversity leaders. All the corporations have plans to continue their current diversity initiatives. This trend seems to indicate that the interest these corporations have in diversity initiatives is not going to fade away. The findings also showed that more effective evaluation of diversity initiatives is a major concern to be addressed in the future. This finding supports the results reported by Wheeler

(1995). He also discovered that the companies participating in his study reported future plans for developing measures to evaluate diversity initiatives. This concern about evaluation may be founded in the notion that measurement-managed companies outperform those organizations that are less disciplined in this area (Lingle & Scheimann, 1996).

This study revealed that corporations participating in this study are planning to start new internationally diversity initiatives and expand to even more countries. These findings support what Arredondo (1996) mentioned in her book. According to this author, diversity management will expand into new settings. An interesting finding revealed by this study, and not reported by others, is that many corporations are making great efforts now to be recognized as diversity leaders and employers-of-choice in the future. These future plans provided by the participants suggest that diversity will continue to strive, grow, and remain as a business imperative for these corporations.

RECOMMENDATIONS

This section provides a list of recommendations for HRD and other business leaders, HRD educators and programs, and future research.

Recommendations for Practice for HRD and Other Business Leaders

- The results of this study indicated that diversity initiatives in the future will continue and will grow in importance in companies that are committed to addressing diversity in the workplace. This means that HRD professionals and other corporate leaders will have to be able to effectively plan, implement, and evaluate diversity initiatives. This also means that they will have to be knowledgeable about diversity initiatives, their processes, barriers, and factors assisting in their success. Another responsibility HRD professionals may have is to teach people in corporations how to plan, implement, and evaluate diversity initiatives. The results of this study lead the researchers to suggest that HRD professionals in the future will have to master the field of diversity to be able to meet organizational needs.

- The findings of this study revealed that diversity training and education programs are some of the most common and effective diversity initiatives. This means that

HRD professionals will have to be able to plan, implement, and evaluate diversity training and education programs within their organizations. HRD professionals will not only have to conduct effective diversity training programs, but also effectively interact and relate to trainees who are diverse. Another responsibility HRD professionals may have is to teach trainers to incorporate diversity concepts and principles into their training programs. This means that diversity will have to be an important aspect of train-the-trainer programs. HRD professionals will have to master the field of diversity in order for them to be able to provide effective diversity training and education programs.

- The findings of this study revealed that diversity training and education are considered among the most effective diversity initiatives. They are also some of the common initiatives used to manage diversity. This means that to continue making them effective, HRD professionals will have to be able to effectively link diversity education and training not only to other diversity initiatives, but also to both the diversity strategic plan and the corporate strategic plan. This approach will help them address the organization's training and business concerns more effectively.

- This study also revealed that diversity training and education is part of the growing field of international diversity initiatives. This means that HRD practitioners will have to become knowledgeable in this area. They will have to educate themselves so that they can practice the whole process of international diversity training and education. This also means that HRD professionals will have to learn how to plan, implement, and evaluate international diversity training. In addition, they need become knowledgeable in this field because most corporations are becoming global organizations and are realizing the need for international diversity training and education programs. Thus, HRD professionals should be ready to teach corporate leaders who lack the knowledge and skills to deal with international diversity initiatives.

- Evaluation of diversity initiatives is becoming more important for multinational corporations that are committed to addressing diversity in the workplace. This means that HRD professionals need to understand the role of evaluation and its importance to corporations. This implies that professionals need to have knowledge and skills, not only in evaluation of training programs but also in evaluating the many different categories of diversity initiatives. Specifically, HRD professionals

need to know how to plan data collection, identify sources of information, develop data collection instruments, analyze information gathered, and report on the findings. Most important, though, HRD professionals must be able to make sure the information gathered will be used to improve their diversity programs and show their impact.

- This study revealed that multinational corporations are planning and implementing a large number and a variety of diversity initiatives. Therefore, leaders who want to keep their organizations on the competitive edge should follow the example of successful and visionary corporations such as those participating in this study. This also means that, in order to follow the example provided by these corporations, leaders have to acquire the necessary knowledge and develop skills to plan, implement, and evaluate a wide range of diversity initiatives in the domestic and international context.

- One critical implication for managers is that a single initiative alone is not considered effective. Therefore, if leaders of corporations want to be successful in accommodating their diverse workforce as well as retaining and attracting diverse customers, they will have to be willing to allocate resources to the planning, implementation, and evaluation of not only one diversity initiative but many different initiatives that complement each other.

- The findings of this study revealed that diversity initiatives are not free from barriers that hinder their progress. Therefore, leaders in corporations must be aware that they may face barriers at any time during the planning, implementation, and development of diversity initiatives. They must make efforts to acquire the knowledge and skills necessary to prevent these barriers.

Recommendations for HRD Educators and Programs

- The findings reported here show diversity initiatives will continue developing and becoming more complex. This implies that college departments offering HRD programs will have to provide their students with the knowledge and skills necessary to succeed in a very diverse society and workforce. The critical role that diversity training and education has in organizations such as the ones in this study

implies that diversity training should be part of the core curriculum of any HRD program.

- To be fully prepared to deal with the increasing demographic changes reflected in a diverse workforce, students specializing in HRD should be offered courses that address various components of diversity. This means that educational institutions offering HRD programs need to modify their curricula and add diversity components to the courses they offer. For example, the courses on instructional design should add a unit on diverse learning styles. HRD students have to be educated on the variety of learning styles and how people from different lifestyles and ethnic backgrounds learn better. Another example could be a course on team development, which could include at least one unit on diverse work team issues such as different styles in decisionmaking and problem solving.

- HRD programs will have to equip their students with knowledge and skills consistent with the realities of international work environments. That means that HRD programs should be modified to include the international dimension. Specifically, diversity courses will have to add new content and new activities regarding international diversity initiatives.

Recommendations for Further Research

- Further longitudinal research will be needed to examine the development, changes, accomplishments, barriers, and trends of diversity initiatives in corporations. This research is necessary to make comparisons with future diversity initiatives. Longitudinal research would provide information on the accomplishments and failures of diversity strategic planning. This type of study would be interesting and useful in assessing whether or not real progress has been made. Overall, research on the evidence of the effectiveness of diversity initiatives is needed.

- More in-depth comparative studies on the relationship between domestic and international diversity initiatives are also needed. For instance, there is no research based on the transfer of diversity initiatives from the United States to other countries or vice versa. Research is also needed to determine the effectiveness of international diversity initiatives and its barriers, successes, contents, and processes. International diversity management is supposed to be a key competitive

advantage; to prove this, comprehensive studies are needed in the area. Extensive studies are needed to determine the actual impact of the international diversity initiatives. A study based on international diversity initiatives is also needed to determine how the programs are coordinated; what their benefits are; what geographical regions they cover; and why and how they are planned, implemented and evaluated.

- A study should be conducted to compare the perceptions of diversity leaders with those of employees regarding diversity initiatives. Such a study could provide valuable information on how entire organizations perceive diversity initiatives.

- An interesting study would be to conduct similar studies with multinational non-U.S. corporations to see the similarities and differences regarding diversity initiatives.

- This study revealed that evaluation of diversity initiatives is growing in importance. An interesting study would be to focus specifically on evaluation of diversity initiatives and to develop a model that could be used to measure the effectiveness of different types of diversity initiatives.

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APPENDIX A:
TYPES OF RELATED DOCUMENTS COLLECTED

1. Corporate annual reports
2. Community Relation reports
3. Corporate newsletter articles
4. Diversity brochures
5. Newspaper articles
6. Corporate newspapers
7. Journal/magazine articles
8. Chapters from diversity books
9. Corporate profiles from general business directories
10. State and national awards
11. Diversity strategic plans
12. Advertisements
13. Corporate diversity posters
14. Corporate diversity calendars
15. School–business partnerships
16. Books (best companies for women/best companies for minorities)
17. Lawsuits documents
18. Diversity pamphlets
19. Diversity managers overheads from presentations
20. Corporate diversity booklets

APPENDIX B:
ANNUAL REPORT DOCUMENT ANALYSIS FORM

Company: _____ Year: _____

Y	N		
__	__	1.	Does the annual report include general statements on human resources?
__	__	2.	Does the organization's mission statement address human resources?
__	__	3.	Does the organizations mission statement address workforce diversity?
__	__	4.	Does the mission statement address a commitment to the communities it serves?
__	__	5.	Does the annual report include the organization's guiding principles or value statement?
__	__	6.	If yes, do the organization's guiding principles or values statements address workforce diversity in some way?
__	__	7.	Does the annual report include photographs of corporate employees other than the President, Chairman, and the Board of Directors?
__	__	8.	If yes, do the photographs reflect the diversity in their workforce?
__	__	9.	Are female employees represented in the photographs?
__	__	10.	Are people of color represented in the photographs?
__	__	11.	Are people with visible disabilities represented in the photographs?
__	__	12.	Does the annual report's photographs reflect a diverse customer base?
__	__	13.	Does the report include a section on community relations or outreach?
__	__	14.	If yes, does the report describe community relations or outreach programs that exemplify the organization's commitment to diversity?

Comments:

Note: This form was adapted from *Workforce diversity in Fortune 500 corporations headquartered in Minnesota: concepts and practices* (p. 315) by K. Tomervik, 1994. Unpublished doctoral dissertation, University of Minnesota, St. Paul.

APPENDIX C:
RELATED DOCUMENTS ANALYSIS FORM

No. _____

Corporation: _____

Document Name: _____

Date: _____

Information related to:

1. Initiatives for managing diversity

2. Context of diversity initiatives

3. How diversity initiatives are planned

4. How diversity initiatives are implemented

5. How diversity initiatives are evaluated

6. Factors that have assisted in the success of diversity initiatives

7. Barriers that have hindered the implementation of diversity initiatives

8. Diversity initiatives planned or projected for the future